Daily Report

East Europe

FBIS-EEU-92-024
Wednesday
5 February 1992

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FBIS-EEU-92-024 *5 February 1992*

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Yugoslavia

Bosnia-Hercegovina—Mostar citizens have barracaded all the exits heading toward western Hercegovina in the hope of blocking the Yugoslav People's Army's (JNA) departure. Belgrade Radio reports that the actions are "closely linked to the political situation, the upcoming referendum, and the possible division of Bosnia-Hercegovina." Mostar is mainly populated by Croats. TANJUG reports that citizens are demanding a "guarantee" that the JNA will not use the highway toward Citluk "for the transportation of people, arms, and military equipment."

Macedonia—Foreign Minister Denko Maleski sent a letter to "all the leading figures of the international community" complaining of the federal army's withdrawal. According to TANJUG, the foreign minister is accusing the JNA of cleaning out reserves of food, medicines and equipment as part of their withdrawal, which he considers "the property of the republic" and to which he claims "exclusive rights."

Slovenia—The Ljubljana daily DNEVNIK confirmed rumors that the Yugoslav People's Army stored "chemical agents" in local warehouses in Ptuj. It has yet to be determined what kind of chemicals were stored or if they are still in the Ptuj commune. The paper only reports that they are "safely stored and, therefore, do not pose a threat to the environment."

Czechoslovakia

Responding to a question on the article published in RESPEKT on Czechoslovak arms exports, President Havel's spokesman termed the article "important because it opened up problems that were tiptoed around" before and "forced" officials to deal with them. HOSPODARSKE NOVINY reports the spokesman said that in Havel's opinion "the export of special technology should be regulated by law." Until a law is passed, those exports should be "under the control of the State Defense Council."

The Bratislava paper PRAVDA questions why the cargo ship containing 16 tanks for Syria was seized "on the day the CSCE ministers were meeting in Prague" when "the German intelligence service was informed about" the shipment "as early as 10 January." The paper sees this as either "mere coincidence or a pretext" to draw attention way from "arms and equipment from German factories and arsenals" that "have appeared on Yugoslav battelfields."

European Affairs

The Council of Europe parliamentary assembly met in Strasbourg on 4 February. Polish President Lech Walesa addressed the meeting, Warsaw radio reports, claiming that "reality scoffs at those" who believe that the overthrow of communism will bring "the Eastern world closer to the Western one." "Although the Berlin wall and communism have fallen and there no longer is an iron curtain, unity is still far away," Walesa said, according to PAP. Walesa complained that the "less affluent countries of Europe have the impression that the rich, wealthy part of Europe is closing its door to us, becoming an exclusive club for the well-off." "It is you, the West, who have made good business on the Polish revolution," Walesa concluded. In response to a journalist's question that his speech was "somewhat aggressive" Walesa said that he intended to "provoke, encourage and make one reflect upon a chance that is offerred now and that can be wasted," PAP reports.

Council of Europe Parliamentary Assembly Meets

Walesa Addresses Participants

LD0402144792 Warsaw Radio Warszawa Network in Polish 1105 GMT 4 Feb 92

[Excerpts] President Lech Walesa has gone to Strasbourg today for the parliamentary assembly of the Council of Europe. [passage omitted]

[Correspondent Krzysztof Wojna] Walesa began his speech with a statement that reality scoffs at those who thought that the overthrowing of communism would bring the Eastern world closer to the Western one. Europe, says Lech Walesa, has been divided by economic standards clearly and decisively. There are rich countries and poor countries. We, the citizens of poorer Europe, get the impression that rich, wealthy Europe closes itself to us and is becoming an exclusive club for the rich and stable. Poland, which is between the West with eyes fixed on itself, and the changing Soviet state has been facing a period without friends. After the speech the president will answer deputies' questions. [passage omitted]

Walesa Faults West for Lack of Support

LD0402171192 Warsaw PAP in English 1519 GMT 4 Feb 92

[Text] Strasbourg, Feb. 4—"Reality has played a trick on those who thought that the overthrowing of communism would draw the East closer to the Western world and merge the two," President Lech Walesa of Poland told the European MPs [members of parliament] gathered here Tuesday.

"Although the Berlin wall and communism have fallen and there no longer is an iron curtain, unity is still far away. Europe is radically and fundamentally divided by differences in the economic standards. We, the citizens of the less affluent countries of Europe have the impression that the rich, wealthy part of Europe is closing its door to us, becoming an exclusive club for the well-off," said Walesa addressing the parliamentary assembly of the Council of Europe.

"Poland, finding herself between the West absorbed by its own problems and the changing Soviet state, faces a time without friends," Walesa complained.

He recalled that it had been Poland which conducted the first peaceful revolution in Eastern Europe and set the example for Czechoslovakia, Hungary, the Soviet Union and others. But now "the free and democratic Poland suffers from a severe economic crisis" caused by the process of transforming "the communist centrally planned economy into a free market one."

"We have counted on the West, on your interest, on a large scale influx of capital that would be invested in Polish enterprises to help them modernize production," Walesa said, adding "two years have passed and in our opinion the inflow of investment capital is still small. The West was supposed to help us in arranging the economy on new principles, but in fact it largely confined its efforts to draining our domestic markets. Polish shops have been flooded with Western products. It is you, the West, who have made good business on the Polish revolution."

Walesa said Poland was grateful for cancelling part of the foreign debt, but felt that, entering the second stage of economic transformations, she needed greater support from Western countries.

"For our countries, the young fledgling democracies, trade with the rich Western states is the best avenue to raising our living standards. But the West is very cautious about opening to us, it is being jealous in making its markets accessible to our goods. This is wrong," stressed the Polish president.

"Western Europe should give support to East European nations, also to serve its own interests. You should realize that (..) prosperity will strengthen the young democracy won only recently. (..) Democracy without economic well-being is bound to be weak and fraught with difficulties. (..) Nowadays our own people are not getting the feeling that they are any better off. The fruits of victory have turned sour. Already one can hear some people wondering why we have ever done it? Democracy is losing its supporters. Some people even say: Let's go back to authoritarian rule," went on Walesa.

He referred to the situation in Yugoslavia as an example of the danger facing European unity. "While Western Europe is moving towards integration, the East is breaking apart. Aggressive nationalisms, and even chauvinisms, come to the surface. (..) Freedom is not coupled to the long-awaited affluence and conflicts can destroy the young democracies. The Europe of the rich may be confronted with instability (in the East). One should see these threats."

"Some people already notice them. Western diplomacy makes endeavours to neutralize nuclear forces of the former USSR. It expects military disarmament in return for food assistance. Thus, countries that have nuclear warheads can extort economic assistance from the West, using nuclear bogey. [as received] But not all states of the former Soviet bloc have such arguments. Poland does not have them.

"The Council of Europe is a great achievement of our peoples. We deem it a guard of democracy, freedom and human rights. It plays the role of conscience of our continent. It builds "society for everybody.' It always gave evidence that there is only one truth. The same for both East and West.

"Our success guarantees the safety of your tomorrow. This is common tomorrow of both Western and Eastern Europe, on behalf of which I take the liberty to speak here," President Walesa concluded.

Walesa Questioned on 'Aggressive' Speech

LD0402234892 Warsaw PAP in English 2329 GMT 4 Feb 92

[Text] Strasbourg, Feb. 4—During his one-day, busy visit to Strasbourg President Lech Walesa warned the Council of Europe parliamentary assembly that conflicts in Eastern Europe may destroy the young democracies there if they are left unaided. Poland counts not on charity aid, but cooperation, he pointed out.

While in the parliament assembly hall, the Polish president also answered questions from members of the European Parliament, among whom there were also Polish representatives with full membership rights for the first time. Replying to suggestions that his speech to the parliamentary assembly was somewhat aggressive, Walesa said he wanted "to provoke, encourage and make one reflect upon a chance that is offerred now and that can be wasted. There is no other chance but a victory on the road that we are traversing now," Walesa declared.

Most of the questions, also those put during a press conference, concerned economic problems. Walesa said Poland wants above all to make use of her great production and manpower potential. To this aim, Poland needs money for investments that would bring profits to the West and development to Poland.

Walesa also held talks with President of the Parliamentary Assembly Geoffrey Finsberg, Chairman of the Committees of Ministers of the Council of Europe Rene Felberg and Secretary General of the Council of Europe Catherine Lalumiere.

The Polish president also held an unscheduled meeting with President Chaim Herzog of Israel who also visited Strasbourg. Walesa asked the Israeli president for help in bringing back to Poland Boguslaw Bagsik and Aleksander Gasiorowski, the former owners of the Art-B Company, who fled to Israel after a major scandal involving their firm.

Walesa's spokesman Andrzej Drzycimski said the issue was raised by President Herzog who declared he would examine the legal aspects of the matter. On his part, Walesa ensured Herzog that he would do all in his power so that Bagsik and Gasiorowski have a fair trial in Poland.

Asked upon his return home from Strasbourg Tuesday night whether he invited Herzog to pay a visit to Poland, Walesa told newsmen that the Israeli president had received an invitation already earlier. According to Walesa's spokesman, President Herzog will visit Poland within several months.

Spokesman Andrzej Drzycimski disclosed that the two presidents also discussed the development of bilateral relations between Poland and Israel. The Israeli president expressed satisfaction at the contacts between the two nations that had sufferred so much during the last world war.

The two also mentioned the danger of a large wave of emigrants from Eastern Europe into the West, and reflected upon the impact the phenomenon may have on this continent and the world.

Referring to Walesa's speeches and meetings in the Council of Europe, Drzycimski expressed hope that the visit would bring important results.

"It seems that the president convinced his interlocutors that Poland is not asking for more aid, but is saying clearly: We can do something together, but we will certainly fail to do anything separately." Walesa's statement that the West is responsible for the devlopment of the situation in this part of the continent was received as a warning that cannot be ignored, Drzycimski said.

Walesa expressed an opinion that if the decisions that had been made in Strasbourg are implemented in a mere 10 per cent, it would be a great success.

Havel Speaks at Davos Economic Forum

LD0402215992 Prague CSTK in English 1754 GMT 4 Feb 92

[Text] Davos Feb 4 (CSTK)—Czechoslovak President Vaclav Havel today said the end of communism has brought an end to the modern age as a whole and voiced the view that sooner or later politics will have to find a new, post-modern face.

Addressing the 22nd world economic forum in Davos, Havel said the end of communism "astonished the West as much as it did the East. ...Not only is the West somewhat confused by these tremors in the East. It is beginning to shake a little itself, and the structure of its former certainties is beginning to come loose. A broad range of geopolitical interests, rivalries and ambitions, dormant until recently, are now coming back to life. Alliances unquestioned until recently are now being called in doubt, because the pressures that once made them necessary are disappearing".

"The modern era has been dominated by the culminating belief, expressed in different forms, that the world is a wholly knowable system governed by a finite number of universal laws that man can grasp and rationally direct for his own benefit", Havel said.

"This era, beginning in renaissance and developing from the enlightenment to socialism, from positivism to scientism, from the industrial revolution to the information revolution, was characterised by rapid advances in rational, cognitive thinking.... It was an era of ideologies, doctrines, interpretations of reality, an era where the goal was to find a universal theory of the world, and thus a universal key to unlock its prosperity.

"Communism was the perverse extreme of this trend. It was an attempt ... to organise all life according to a single model, and to subject it to central planning and control regardless of whether or not that was what life wanted", Havel said.

"I think the end of communism is a serious warning to all mankind. It is a signal that the era of arrogant, absolutised reason is drawing to a close and that it is high time to draw conclusions from that fact.... This power signal, this important message to the human race, is coming at the eleventh hour," Havel said.

"We all know that our civilisation is in danger. The population explosion and the greenhouse effect, holes in the ozone and AIDS, the threat of nuclear terrorism and the dramatically widening gap between the rich north and the poor south, the danger of famine, the depletion of the biosphere and the mineral resources of the planet, the expansion of commercial television culture and the growing threat of regional wars—all this combined with thousands of other things represents a general threat to mankind", Havel warned.

Paradoxically, modern man "is yet "absolutely incapable of dealing with the danger.... Modern man, proud of having used impersonal reason to release a giant genie from its bottle, is now impersonally distressed to find he cannot drive it back into the bottle again", Havel said.

"Man's attitude to the world must be radically changed. We must abandon the arrogant belief that the world is merely a puzzle to be solved, a machine with instructions for use waiting to be discovered, a body of information to be fed into a computer in the hope that, sooner or later, it will spit out a universal solution.

"We must see the pluralism of the world, and not bind it by seeking common denominators or reducing everything to a single common equation.... Human uniqueness, human action and the human spirit must be rehabilitated".

"It is my impression that sooner or later politics will be faced with the task of finding a new, post-modern face. A politician ... must believe not only in sociological statistics, but in real people", Havel stressed.

He said "it is not that we should simply seek new and better ways of managing society, the economy, and the world as such. The point is that we should fundamentally change how we behave".

"In a world of global civilisation, only those who are looking for a technical trick to save that civilisation need feel despair. But those who believe, in all modesty, in the mysterious power of their own human being, which mediates between them and the mysterious power of the world's being, have no reason to despair at all," Havel said in conclusion.

Slovenia's Peterle: Forum 'Successful'

LD0502090892 Ljubljana Radio Slovenia Network in Slovene 2100 GMT 3 Feb 91

[Text] Lojze Peterle, prime minister of the Slovenian Government, declared that the presentation of the Slovene State at the annual meeting of the World Economic Forum in Davos was very successful. During meetings and talks in Davos, the interlocutors have shown great interest in Slovenia, while at the highest levels it was often stated that it was finally necessary to recognize that Yugoslavia no longer exists.

During their talks, the Slovene representaties devoted main attention to economic and financial matters. They met key representatives of international financial institutions: the IMF, the World Bank, and the Paris Club. They also held talks with some representatives of trade associations and ministers of trade.

According to Lojze Peterle, the establishment of contacts with the representatives of the Japanese Government and Japanese financial institutions was especially important. A Japanese delegation is expected to visit Slovenia soon.

Hexagonale Becomes Central European Initiative

LD0202182392 Belgrade TANJUG Domestic Service in Serbo-Croatian 2020 GMT 28 Jan 92

[Text] Vienna, 28 Jan (TANJUG)—The Hexagonale—the regional organization which brings together Austria, Italy, Hungary, Czechoslovakia, Poland, and Yugoslavia—as of today is called the Central European Initiative. A statement by senior government officials of the member countries, which are holding a two-day meeting in Vienna, was issued today on the name change.

Yugoslavia is not taking part in the Vienna meeting after, at Austria's insistence, it was in practical terms thrown out of the Hexagonale last November in Venice. Taking part in the work of the meeting, however, are representatives of Slovenia and Croatia, the new states which expect to be accepted as full members of this organization at the conference of the heads of government scheduled for July, also in Vienna. Austria has taken over the role of president from Yugoslavia.

The Hexagonale was founded in November 1989 under the name of Pentagonale, and its founders were Austria, Italy, Hungary, Czechoslovakia, and Yugoslavia. Last year Poland was also accepted as a member so the Pentagonale automatically became the Hexagonale.

People's Assembly Approves Electoral Law

AU0402162892 Tirana Radio Tirana Network in Albanian 1430 GMT 4 Feb 92

[Zamira Koleci report]

[Text] This morning's People's Assembly session began with a discussion of the question of the electoral constituencies and how they should be divided. Dr. Aleksander Meksi, chairing the session, put forward a draft plan for the division of constituencies according to administrative borders, reckoning 20,889 inhabitants to each constituency.

Deputies of the Socialist Party supported the view that the division of constituencies and the number of deputies in each district must be decided according to each district's specific conditions. They said that many areas have scattered populations that are difficult to bring together in a single constituency. Thus, the division of constituencies should bear in mind their geographical size.

The deputies Bashkim Kopliku and Genc Ruli, after emphasizing that the future Albanian state will be built on new principles, pointed out that a deputy represents the highest level of the state, and that the local authorities, whose responsibilities will be greater in the future, will act on local problems.

The speeches continued for a long time, and were followed by an examination of two amendments to the Law on the Main Constitutional Provisions. After annulling the existing first paragraph that prescribes a total of 250 deputies in the People's Assembly, the deputies approved the following amendment to Article 17: The number of deputies in the People's Assembly and the electoral system are defined by law.

There was a great deal of discussion about the second amendment, which states that the Presidency of the People's Assembly continues its work until the day of the start of the first session of the new People's Assembly. In general, deputies expressed the view that it would be illegal to approve this amendment. This constitutional change cannot be put forward at a time when we agree that a technical apparatus should exist to perform duties until the next People's Assembly session.

After the recess, Aleksander Meksi proposed the division of constituencies according to districts following consultations with the Presidency and the leaders of the parliamentary groups. Districts are divided into constituencies as follows: Berat, five constituencies; Diber, four; Durres, five; Elbasan, seven; Fier, eight; Gramsh, one; Gjirokaster, two; Kavaje, three; Kolonje, one; Korce, seven; Kruje, three; Kukes, three; Lezhe, two; Librazhd, two; Lushnje, four; Mat, two; Mirdite, two; Permet, one; Pogradec, two; Puke, two; Sarande, three; Skrapar, two; Shkoder, eight; Tepelene, two; Tirana, 12; Tropoje, one; and Vlore, six. The deputies approved these divisions.

In conclusion, the deputies approved the Electoral Law as a whole. At the close of the session, Arben Imami and Namik Dokle, chairmen of the Democratic Party and Socialist Party parliamentary groups, also spoke.

Democratic Party's Berisha Calls For Alliance

PM0402153492 Paris LE FIGARO in French 3 Feb 92 p 4

[Interview with Albanian Democratic Party Chairman Sali Berisha by Charles Lambroschini in Paris; date not given]

[Text] [Lambroschini] Albania is in the throes of political and economic chaos. The country is only surviving by means of international humanitarian aid. Have you not further increased the population's despair by leaving the coalition government in which you were sharing power with the Socialist Party, in other words the former communists?

[Berisha] It is true that the political situation is complicated and the economic situation is disastrous. The humanitarian aid is not adequate and it is very badly distributed, and that has produced disturbances. But it is the government which has created the panic. Recently, the statements by the former prime minister announcing that there was only three days' supply of food left brought the population out onto the streets. Indeed, the former communists have chosen the strategy of destabilization. They want to show the Albanians that everything was going well before. They want to convince the public that it is the opposition which is responsible for the current problems because it has left the coalition.

[Lambroschini] What is your answer to those accusations?

[Berisha] The government was controlled by the communists. It did not want to implement reforms. The ministers from the communist party remained rigid and inflexible. To give you an example—land ownership. A law was passed which makes provision for privatization. But the communists are sabotaging land distribution. What they want is to maintain power and blame my party, the Democratic Party, for the chaos. Our decision to leave was right and was historic. We stayed in the government for six months, my only regret is that we did not leave two months earlier.

[Lambroschini] The elections must be held in early March. But the country seems to be so divided that there is no guarantee that a majority will emerge from the elections. In that case, would you be prepared to share power within a coalition government, even with the communists?

[Berisha] Even if we secure a majority, we will not form a one-party government. The situation is too serious. We need an alliance of all the democrats. We are therefore prepared to work with the Republican Party and the Social Democratic Party. We are also very willing to welcome independent intellectuals. But, this time, there

is no question of bringing the communists into the government. We have experimented with that, and it failed.

[Lambroschini] If you come to power, how do you intend to solve Albania's huge problems?

[Berisha] The Albanians are now living in despair. But Albania has resources—tourism, agriculture, many raw materials too. We are one of the world's biggest producers of chromium, we have oil and copper. In normal circumstances, Albania could do without humanitarian assistance. It is agriculture which needs the most urgent aid. The peasants need equipment, fertilizer, and seed. We must also give the country a number of basic infrastructures. Finally, the EC must realize that Albania needs to export a number of its citizens. Since 1945, millions of Greeks, Spaniards, and Italians have emigrated. Only a few hundred Albanians have left. Our European friends must accept the idea of some Albanians immigrants entering their countries. We will not be able to find work for all. At present Albania has an unemployment rate of 30 percent.

[Lambroschini] How long do you give yourself to succeed?

[Berisha] The Albanians' despair is not just the result of poverty. It is also the result of their disappointment when they discovered the reality of the outside world from Italian or Greek television. They were able to compare their situation with that of other countries. It was then that they discovered that the communists had lied to them. Albania was not the earthly paradise. If Albania solves its political problem by ousting the communists, if it eliminates corruption, it will be able to bring about economic recovery. Give us two or three years, and the improvement in the situation will start to be felt.

[Lambroschini] Is a purge part of your program?

[Berisha] No. If we decided to wreak vengeance, Albania would never experience democracy. In the days of the communists, thousands of people were imprisoned because they had been denounced, persecuted, and condemned by thousands of other people. To punish all those responsible, Albania would have to become a huge concentration camp. Mrs. Hoxha, widow of Enver, Albania's Stalin, is in prison. But that is for financial not political reasons. She and her friends misappropriated millions.

[Lambroschini] What is your analysis of the situation in Kosovo, that Yugoslav province in which the Albanians, who form the majority of the population, are condemning Serbian oppression?

[Berisha] The position of Yugoslavia's Albanians is tragic and not only in Kosovo. If you add those in Macedonia and Montenegro, 3 million Albanians will be torn between the new states which will emerge from the ashes of Yugoslavia. The Albanians' right to self-determination must be recognized. I would be happy for Yugoslavia's Albanians to be able to create their own independent state.

[Lambroschini] Do you advocate a Greater Albania which would add the Albanians of Kosovo and the other Yugoslav republics to your country?

[Berisha] I am not obsessed with Greater Albania. Historically, it has never existed. The priority is not unification. It is self-determination. My dream is European integration. But a nationalist tradition is necessary. If the other peoples have a right to self-determination, the Albanians should also have that right.

Kozloduy Reactor Problem, Power Cuts Explained

AU0502113492 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 5 Feb 92

[Text] [Announcer] Two deputy chairmen of the Administrative Board of the National Power Supply Company provide details about the power supply situation in the country. Mr. Zhak Karakash reports the precise reason the sixth generating unit of Kozloduy nuclear power plant was shut down:

[Karakash] On 31 January 1992 the sixth generating unit was functioning at 90 percent of its capacity. According to the technological schedule for utilizing the generating unit's safety systems under conditions of intensified operations, those systems are to be tested every month. The generating unit has three independent safety systems. Each includes a high-pressure pump for injecting concentrated [word indistinct] acid into the reactor in an emergency. This acid acts as a strong [word indistinct] of the neutrons [words indistinct]. In addition to these pumps there is an additional low-pressure pump for use in the case of decreased pressure in the reactor.

One of the high-pressure pumps developed a fault during the testing in accordance with the monthly schedule. In accordance with the regulations issued by the Committee on the Use of Nuclear Power for Peaceful Purposes, if the fault is not removed within 16 hours the reactor must be shut off until the pump is repaired. This is the reason that the reactor was shut down.

[Announcer] For his part, Mr. Danail Gladchev says that the power cuts will continue according to the 3:1 system. However, he adds that the cuts will not be increased while the pump is being repaired.

[Gladchev] On 3 February 1992 at 0506 [0306 GMT] the sixth generating unit of the Kozloduy nuclear power plant was shut down manually because of a faulty pump in one of the unit's safety systems. This necessitated the introduction of power cuts on the basis of the 3:1 scheme. Until then the reactor had functioned at a capacity of 930 megawatts, while the maximum restrictions involve 630 megawatts. The 300 megawatt difference is compensated for by additional water and coal resources, something that places our power system in a difficult situation because of the coal and water shortage. One still cannot forecast when the repair of the faulty pump will be completed and the reactor will be activated. The problems will be resolved only when the sixth reactor is reactivated. The problem is that we have limited reserves of water and coal, and now we must draw upon those reserves.

Dimitrov, Podkrepa Resolve 'Disputed Issues'

AU0402163692 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 4 Feb 92

[Telephone report by correspondent Aglaya Shamlieva on session of National Coordinating Council of Union of Democratic Forces and subsequent news briefing in Sofia on 4 February]

[Text] The meeting again took place against the background of calls for resignations. In other words, a lively discussion took place on the interrelations between the parliamentary group of the Union of Democratic Forces [SDS], the government, and the SDS National Coordinating Council. If Filip Dimitrov did participate in this discussion, it was in his role as prime minister rather than as party leader.

The most important piece of news is that Filip Dimitrov has met the leaders of Podkrepa and reached agreement with them on the disputed issues. You can see how the carefully chosen phrases cautiously skirt the underwater reefs, and I will continue in this style. The issue of the Tripartite Commission will be settled positively.

A further compromise was also reached, concerning the privatization bill. The government's small privatization bill will be included in the transitional regulations of the large privatization bill. Controversy remains over the issue of the workers councils at the enterprises and, as Mr. Mikhail Nedelchev said in conclusion, the relations between the government, the SDS parliamentary group, and the SDS National Coordinating Council will not be idyllic.

Evidently, all these issues will be raised, again in an unidyllic way, at the meeting of the SDS parliamentary group in the National Assembly building that, according to the announcement, is due to start at 1600 today and will be attended by President Zhelyu Zhelev and Filip Dimitrov.

Of course, today's briefing would not have been a proper one if toward the end, the issue of the personal files had not once again raised its head, this time with the name of Mr. Khristo Ivanov, alias Aleksandur. The SDS parliamentary group heard Khristo Ivanov's sincere and full confession and heard answers concerning the origin of certain documents and meetings with representatives of the so-called secret services. The SDS parliamentary group did not adopt any decision. It was shocked by what it heard—here I quote the words of Mr. Mikhail Nedelchev. He hopes that, in a suitable form, all this will reach the media.

The National Coordinating Council also insists that all the personal files of members of the council should be opened up.

Vulkanov Assesses Presidential Elections

AU0402191592 Sofia DUMA in Bulgarian 31 Jan 92 p 6

[Velko Vulkanov commentary: "First Conclusions After the Presidential Elections"]

[Text] The elections for president of the Republic of Bulgaria are over. The sociologists have yet to draw their conclusions. However, some preliminary conclusions that have emerged can be made even now.

The elections ended with exceptional success indeed for the democratic forces. What happened in Bulgaria is really a phenomenon. In no other East European country did the left wing and its allies succeed in retaining such prominent positions. We succeeded!

From a total of 5.2 million people who took part in the elections, 2,443,434 voted for us, or in other words 47.15 percent. In comparison to the October 1991 election result this is an increase of almost 14 percent.

We succeeded despite the unparalleled difficulties that we had to overcome.

First of all we had to overcome **the power syndrome** that undoubtedly has an enormous effect on everyday consciousness. With this in mind one ought not to forget that the power syndrome was also operative through **the actual attributes** of power. Central and local organs from the state apparatus system took a most active part in the election campaign of our main opponents. They also had the powerful **national mass media**, Bulgarian television and Bulgarian radio, on their side in addition to an enormous army of claquers who pretended to be journalists. Their multi-layered propaganda campaign also received the necessary financial backing. Hundreds of thousands of posters of all kinds were plastered around the country. I now have some idea of how much these materials cost and can say that here we are talking of millions. (The 250,000 that they gave up is a mere trifle for them.)

Their propaganda machine was working in two directions: On the one hand, it had to create the right image of its candidate, while on the other, it had to show the opponent in the worst light possible. All manner of **slander** was directed against us. When they found **nothing in our public lives** that could serve their contemptible purposes, they turned all their venom against **our private lives**. However, they did not discover **anything** there either that could be used against us. It was then that they, inspired by their own baseness, began to **make things up**. They were not (and still are not) capable of imagining that we can be what we are. Their infinitely narrow and limited moral horizon only allows them to see their own personal political perversion. They hardly suspected that in their efforts to paint a picture of us, they, in fact, painted a picture of themselves.

Let me also refer to one of our most stubborn "opponents"—**apathy**. Many people, over 1 million, remained outside the voting process. It was as if it did not affect them. Strictly speaking, their apathy is a sham. It is a form of criticism against the forever widening partisanship (the political intriguing) that conducts its fights without sticking to any rules. "Why take part in the elections when everything is a foregone conclusion." This is the way these people reasoned, bearing in mind the categorically declared determination of the pseudo-democrats not to let anybody except their candidate be elected.

Besides this we must also acknowledge the fact that quite a lot of voters were also seized by **fear**, doggedly inculcated in them by the new politicians who had just gotten into power and already assimilated it. These people, proudly adorned with the title "intellectuals", cynically dismissed the specter of civil war that was unavoidable if... In fact, this fear bred in society is unlikely to be totally unfounded. We could indeed ask ourselves the question: If the elections had not ended successfully for the candidate nominated by the forces of the right would not some Chilean variant have been enacted? Let us recall the words spoken by their pretender that if anyone else were elected president the students would remove him from power with, at the outside, a two day strike. These words contain the acknowledgement of a prepared **state coup** for use against the country's legitimate president.

However, despite the exceptionally powerful manipulation exercised on public consciousness, we succeeded in polling almost half of the votes cast in the elections. In many regions of the country our success exceeded all our expectations. For example, in the Vratsa Okrug we polled 73 percent of the vote. In a total of 13 okrugs—Veliko Turnovo, Vidin, Vratsa, Dobrich, Kyustendil, Mikhailovgrad, Pernik, Pleven, Sliven, Sofia-Okrug, Turgovishte, Khaskovo, and Yambol—more than 50 percent of the votes cast were for us. In another six okrugs the votes cast for us exceeded the country's average level (47.15 percent). We did not achieve the success we wanted only in a few okrugs, Sofia City, Plovdiv City, and in the regions predominated by a population with an ethnic Turkish consciousness. It is already absolutely clear that without the decisive support of the Movement for Rights and Freedoms [DPS] the Union of Democratic Forces-Movement [SDS-Movement] would have lost the elections. If we subtract the 8 percent that the candidate of the right-wing forces received from the "Turkish" regions, it will be found that he remains significantly behind us. There are sufficient grounds for doing this. The grounds, of course, do not lie in the "second-class" nature of the voters in these regions but in **the total lack of freedom** these voters had to express their own will.

No other part of the Bulgarian population has been subjected to such cruel manipulation such as the ethnic Turkish population has been exposed to. These people have neither the freedom to form their own opinions nor the freedom to express them. What does the situation really tell us when **100 percent** of the population in these regions voted for the SDS-Movement candidate? If the votes of this population are distributed in the same ratio as the votes of other Bulgarian citizens, we would have had no less than 52 percent of the votes and our opponents in the second round no more that 48 percent. One way or another the dictate achieved its aim. However, I want to believe that this population will understand in the near future the pernicious role played by the DPS in their lives and orientate itself towards the genuinely democratic forces in the country.

Nevertheless, I believe it necessary to stress that we **could** have won even in **the prevailing situation**. Just a little more effort was needed to mobilize the Bulgarian citizens who abstained from voting in the elections. It appears that not all the forces that supported us traditionally believed in our victory and consequently did not put in the necessary effort everywhere.

Regardless of our **formal** defeat, we have grounds for rejoicing over a **real** victory. In any case, a **genuine change** in public awareness is apparent. A process of sobering up, of reassessing past actions, of differentiating between truth and lies has begun. Certain modest but old truths once again succeed in emerging among the multitude of new vulgar lies. People are already looking behind appearances to get to the root of things. Behind the pompous statements they want to actually see things done. As old Lincoln said: You can fool some of the people all of the time, you can fool all of the people some of the time, but you cannot fool all of the people all of the time.

During the election campaign and as a result of the elections themselves preconditions were created for establishing **a common front (union, movement) of the really democratic forces in the country**. A spontaneous striving manifested itself towards unity of parties, organizations, movements, and individual political figures who believe that the road to democracy does not necessarily pass through one or another form of totalitarianism. We must use the first impetus to create the guarantees necessary for the irreversibility of the democratic process. Our society is already experiencing an urgent need for these guarantees.

I assume that the election results will **also sober up certain circles in the SDS-Movement**. They do not all lack sense in that formation. There are also quite a number of them who would like to remain true to the principles of democracy. In any case the SDS-Movement will have to scale down its ambitions to a size fitting to its actual place in the political arena. This is not large. In fact the SDS-Movement enjoys the support of less than one third of the Bulgarian people.

Finally I will also allow myself to refer to a point "of procedure" during the election campaign. You recall the tales that certain deep thinking men told in connection with our inclusion in the electoral process and the support declared for our team by the Bulgarian Socialist Party [BSP]. We were described as some sort of "kamikazes" who had to sacrifice themselves for the sake of a victory by another team secretly supported by the BSP. These are simple people used to living with deception and self-deception! Behind the simplest truths they are ready to see deals, furtive moves, "wild geese" and all sorts of other things. We needed just a little more help and then we would have shown them a really good "kamikaze" but in a different guise. However, these are the type of people they are, these "wise men" who have only mastered the philosophy of one of the U.S. presidents, that the shortest distance between two points is a tunnel. Let us leave them to dig their squalid little Balkan tunnels.

The elections have passed. However, the battles for a new, democratic Bulgaria based on the rule-of-law and social justice are ahead of us. Victories are also ahead. However, right from this moment we need to believe in them, otherwise there will be no victories!

29 January 1992

President Havel Reacts to Arms Exports Article

AU0502134692 Prague HOSPODARSKE NOVINY in Czech 4 Feb 92 p 2

["(jop)"-signed report: "The President Is Heading for Davos"]

[Excerpt] [passage omitted] When asked about the president's reaction to the RESPEKT article on Czechoslovak arms exports, presidential spokesman M. Zantovsky replied that "the article was important because it opened up problems that were tiptoed around for quite a long time, and it forced the officials responsible for exports to deal with these problems." Havel is of the opinion that the export of special technology should be regulated by a law that would specify the conditions under which arms may be exported. Until the law is passed, exports should be under the control of the State Defense Council which is, in Havel's opinion, the appropriate organ, since representatives of the federation and those of both republics are represented in it.

The president believes that the final report by the Parliamentary Commission Investigating the 17 November 1989 events basically confirms the results at which the majority of analysts have arrived. That is, no conspiracy was involved here, but the former regime simply collapsed. In the same way he rejects speculations about conspiracy, Havel also rejects the scandal concerning some members of the Parliamentary Commission Investigating the 17 November events, in which mass medial played their role. However, neither deputies, reporters, nor the president are entitled to decide on whether some deputies violated the law. This is a matter for the prosecutor or court organs.

Motives Behind Timing of Tank Seizure Viewed

AU0402130092 Bratislava PRAVDA in Slovak 3 Feb 92 p 11

[Julius Lorincz commentary: "A Way of Diverting Attention?"]

[Text] Another consignment of Czechoslovak T-72 tanks—part of the legally binding contract to supply Syria with 250 tanks produced in ZTS [Heavy Engineering Plants] Martin—was loaded onto a Danish ship in Szczecin on 1 February. Will they reach their final destination or will they also be seized along with their ship on the high seas by a foreign power and returned to port, as happened last week with the German ship Godewind and her cargo of 16 tanks from the same contract?

This is not, so to speak, an ordinary case. Mossad, the Israeli intelligence service, had very precise information about the loading of tanks in Szczecin and, according to some sources, the German intelligence service was informed about it as early as 10 January by the Israeli side. The ship was seized last week, however, on the day CSCE foreign ministers were meeting in Prague. This was either a mere coincidence or a pretext to make sure that this unusual event made it to the forefront of attention and that, evidently, no other matters associated with arms supplies to other countries would be discussed in Prague. For example, illegal arms supplies and the fact that the embargo on arms supplies to the Yugoslav republics—as agreed upon by the European Community and decided by the UN Security Council—has never been adhered to. Despite this, arms and equipment from German factories and arsenals have appeared on Yugoslav battlefields and German citizens have fought in the ranks of Croatian combat units....

The Godewind was moored in Hamburg on 15 and 16 January, at a time when the Germans already knew what her cargo was. The law on controlling arms exports to crisis regions also came into force during these two days. It would probably have been impossible to organize such a "clever" operation at that time—an operation almost reminiscent of a naval battle—and it would probably not have been possible to drag Czechoslovakia's name in the mud so much. By the way, the United States, which also does not like our trade in tanks, has concluded contracts to export almost 1,000 tanks to this crisis region. What one side may do, another may not.

'Confidential Letter' Warns of German Influence

AU0502124992 Prague LIDOVE NOVINY in Czech 4 Feb 92 p 3

["(ju, dr, JaD)"-signed report: "There Is No Danger"]

[Text] Prague—A confidential letter from a senior officer in the Czechoslovak intelligence service warning of the possible consequences of the increasing unilateral influence of German capital in the western part of our state was sent to the Office of the President of the Republic, the Czech National Council chairwoman, and the Czech prime minister on 9 January. The following is an excerpt from this letter:

"UZSI (Office for Foreign Contacts and Information, editor's note) as a CSFR intelligence organ operating outside the Republic's territory has recently received several clear signals suggesting a planned mass economic offensive by the FRG, especially in the western half of our state.

"An agency report recently received from ... (source omitted by the editor) and evincing a high level of reliability refers directly and openly to the gradual implementation of a scheme that, in cooperation with Czech Republic bodies selected for this purpose, should lead to the complete economic domination of the Czech lands by German capital. The Czech side's cooperation in helping to achieve this aim is expressly emphasized in the report. According to the aforementioned source, German economic experts are already absolutely certain that their economic and—ultimately—political hegemony over the CSFR is 'dominant and unshakable.'

"In particular, the recent proposal for a joint enterprise involving AVIA Letnany and Mercedes Benz—with AVIA's envisaged complete incorporation into the structure of the German company—and the evasive answers given by the enterprise's management to reporters' questions concerning a whole series of strange conditions contained in the agreement—conditions that arouse mistrust—concur strikingly with the aforementioned agency report.

"Analyses carried out by the UZSI information, documentation, and analytical sections have for months been urgently pointing out that any kind of disproportion in Czech investment policy in favor of one state—in this case, a state purposefully interested in the Czech region—could create an unbalanced situation dangerous to Czechoslovakia's sovereignty whereby the very fact of economic and financial dependence could, under certain circumstances, be misused to restrict the bought-up enterprises' ability to compete on the world market, to resolve the Sudeten issue contrary to Czech opinion, and to assert the power interests of a state that traditionally gravitates toward these tendencies and whose international approaches have not always been well received by the world community of democratic states, and even less by the Czech lands until the recent past."

Federal Interior Minister Jan Langos described this report as completely groundless. As we have managed to ascertain, the Czech Government discussed this document at an extraordinary closed session on 20 January. Czech Deputy Prime Minister Jan Strasky refused to comment on the letter itself, but he said the following about the government session: "It lasted for two hours, and the argument prevailed that there is so little capital here that it is unnecessary to pay particular attention to German capital. The government has tasked Minister Jezek of the Office for Administration of National Property and Privatization with preparing a report on its structure. One loophole was discussed. During the preprivatization period, foreign capital entered our country via subsidiary organizations. The government will deal with these cases. We also decided to establish an information center in Minister of Economic Policy and Development Dyba's department."

Interior Minister Sokol and Jezek refused to comment on the session. Finance Minister Karel Spacek said: "I would not like to discuss it. Information about the intelligence service is involved, and so a certain level of confidentiality is necessary. The session was held in camera."

Federal Foreign Ministry Spokesman Egon Lansky told us that "the Foreign Ministry does not respond to such reports. Similar claims were made in the past in connection with Switzerland. However, I must say apropos this issue that we are interested in having good-neighborly, economic, and political relations with the FRG. The involvement of German entities in privatization is part of this. This is not a Foreign Ministry matter, but I personally think that it would be good to have many more such entities to speed up privatization. I do not see the least cause for alarm regarding the activities of German capital in the current situation."

"In view of the fact that this report originated from an Interior Ministry service, I am not authorized to confirm or deny its existence," said Presidential Spokesman Michael Zantovsky.

Defense Minister on Talks With Poland's Parys

LD0402201192 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1730 GMT 1 Feb 92

[Text] Czechoslovak Defense minister Lubos Dobrovsky and his Polish counterpart, Jan Parys, met today for talks at a military recreation center in Tatranske Zruby in the High Tatras. Their agenda included future cooperation, as well as the political situation in Europe. Pavol Sveton reports:

[Sveton] As the Polish minister of national defense said at a press briefing, future cooperation will focus on establishing closer contacts between arms-producing companies of the two countries, as well as between military academies. They decided that the officers of the two staffs would take part in joint excercises, and that the two armies would make use of each other's military testing sites. Cooperation in the control of air traffic is also planned.

I asked Minister Dobrovsky about his reaction to the statement made by James Baker at the CSCE session in Prague that the destruction of the old division of Europe would lead to the liquidation of conventional weapons in Europe.

[Begin recording] [Dobrovsky, in Czech] I am afraid that in the sphere of conventional weapons we are, on the contrary, at the beginning of a process when a certain new calculation of the levels of conventional weapons will take place, in view of the fact that a number of states have replaced the old Soviet Union, and the regional levels that had been set originally, and from which the national level for the whole Soviet Union had been calculated, will first have to be looked into and divided without increasing the regional levels. Even so, it is obvious that a certain new imbalance will occur, and we will be very busy reassessing and preserving what we achieved in Vienna, and later in the division of regional limits to national levels in Budapest. Mr. Baker's idea, as you quoted it—provided the quotation is correct—is undoubtedly something desirable, but very distant.

[Sveton] The new political situation to the east of our border demands a new need for talks with military representatives of the Commonwealth of Independent States. Mr. Minister, what are our priorities in this matter at the moment?

[Dobrovsky] I presume that in the nearest future, contacts on the level of staffs with the newly emerging

Ukrainian Army will take place, and I would also welcome certain improvement in the exchange of information with the Russian Federation Army. Our aim is to get to know each other better, to find out more information about their ideas for the future of their armed forces. [end recording]

Spokesman Comments on Greek Border Blockade

AU0402130692 Prague CSTK in English 1829 GMT 1 Feb 92

[Text] Prague Feb 1 (CSTK)—Talks between the Czechoslovak and Greek Governments on the situation on Yugoslav borders where hundreds of lorries, including some 350 Czechoslovak ones, are deadlocked, will continue Monday, spokesman for the Foreign Ministry Egon Lansky told CSTK today.

Voicing hope that a compromise solution will be found, Lansky did not rule out a reduction in the charges for transit via Czechoslovakia of Greek lorries exceeding the number limit.

At the beginning of this year, Czechoslovakia and Hungary substantially raised the transit charges for "excessive" lorries. Czechoslovakia now charges 1,500 German marks against 750 German marks last year.

This year's limit for the number of lorries going via Czechoslovakia free of charge is 5,000 against 4,000 last year. In addition, 24,000 lorries can use the Czechoslovak territory after paying the charge of 1,500 German marks and another 4,000 can be carried by rail for the same charge.

Greece, which demands the limit for free transit to be 40,000 lorries per year, has turned to the European Community to protest the increase in the charges. The European Community has protested with the Czechoslovak Government.

Lansky said the whole matter might cause a delay in Czechoslovakia's EC association accord taking effect. This would result in great financial losses to Czechoslovakia, especially because customs and other duties on Czechoslovak imports would not be cut as provided for by the accord, he added.

Gabcikovo Dam Completion Set, Dolgos To Resign

LD0402201792 Prague Stanice Ceskoslovensko Radio Network in Slovak 1700 GMT 31 Jan 92

[Report by Maria Hluchanova]

[Excerpts] Most of today's deliberations at the 21st session of the Slovak National Council in Bratislava dealt with a report on problems in the construction of the Gabcikovo-Nagymaros dam. An overwhelming majority of deputies supported the course of action taken by both the Slovak and Federal Governments and expressed themselves in favor of concluding the construction of the dam. [passage omitted]

A draft resolution put forward by the Green Party was not approved in the first round of voting, but it was later adopted by the plenary session after being amended according to a proposal by Deputy Peter Tirinda of the Eguytteles Hungarian Christian Democratic Movement.

The resolution makes it clear that the government intends to discuss an alternative version of the Hrusov reservoir before 29 February, and it will ask the CSFR Government to reopen talks with the Hungarian Government after the submission of a number of amendments.

The government will ensure that all work on the C variant of the dam continues on our territory according to this timetable and proposal, so that if the alternative version of the Hrusov reservoir is accepted by the Hungarian side, the dam's construction will not be hindered. By the end of March the Slovak Government will submit a written report to the Slovak National Council about the investor's financial and technical willingness to fulfill 19 conditions outlined by the Slovak Environment Commission.

The session continued with a discussion of a report on the progress of privatization. In this context, there were several demands that Lubomir Dolgos, chairman of the Slovak Antimonopoly Office, should reply to deputies' speeches. In response to this demand, Prime Minister Jan Carnogursky took the floor and announced that at the beginning of the week Mr. Dolgos had submitted his request to be allowed to resign because of his inability to adopt efficient antimonopoly measures. The government will decide on his request at its session on Tuesday.

Prospects for Foreign Trade Outlined

AU0402111992 Bratislava VEREJNOST in Slovak 1 Feb 92 p 2

[Vlado Gajdosik report: "Duties Will Support Exports"]

[Text] Bratislava—Czechoslovak exports to Germany recorded a 25 percent increase last year. It is gratifying that our modern engineering units are also beginning to find a place in this highly competitive market. The Commonwealth of Independent States [CIS] (the former USSR) comes second in the CSFR's overall exports with 19.4 percent. As far as imports are concerned, the CIS is still our largest supplier with 32.3 percent; however, our imports from Germany rose to 20.1 percent last year.

Most of our goods will be oriented toward the European Community next year (40.7 percent, which amounts to more than 130 billion korunas) and our exports to the EFTA countries, where a reduction in export duties is expected as of March, will also increase. Our exports to Africa will almost certainly increase. This is thanks to last year's agreements with the Republic of South Africa, which will impose a minimum duty on our goods. As far as our imports from Western countries are concerned, these especially involve credit imports intended to support our economy such as, for example, the 150 billion

lira that Italy is providing as credit for the import of its equipment to help modernize Czechoslovak industry.

As far as the entities that implement our foreign trade are concerned, Slovak enterprises and businessmen are lagging considerably behind here. They have only a 20 percent stake in imports and exports. The Export Guarantee and Insurance Association (EGAP) should contribute toward increasing our enterprises' export activity. It should begin operating as a shareholding company in March.

Report on Probe of 17 Nov 89 Events Delivered

LD0302184392 Prague Stanice Ceskoslovensko Radio Network in Slovak 2200 GMT 30 Jan 92

[Text] Jiri Ruml, chairman of the investigation commission on the events of 17 November 1989, delivered the commission's final report at the session of parliament this evening. The report is aimed at clarifying the background to the students' demonstration which led to the fall of the communist regime in 1989.

As Ruml said, this was not a conspiracy but a continuation of repressive practices. The fall of the communist regime was the result of the fact—among other things—that even with the help of the security service [StB] the Communist Party was incapable of resisting the popular movement. He went on to name from among StB members the principal culprits in brutal intervention.

Speaking about the files of those deputies who were found in the records during screening, Ruml said that it was only today that he heard about a resolution adopted by the Presidium of the Federal Assembly on 10 April 1991. That resolution released the members of the commission from their oath of silence concerning those deputies found during screening of the records to have ties with the StB.

Deputies' discussions on the report began subsequently; these were stormy, controversial, and often emotional. Shortly after 2200 the discussion was adjourned to continue tomorrow.

Meciar Interviewed on Constitutional Position

AU0302143792 Bratislava VEREJNOST in Slovak 24 Jan 92 p 3

[Interview with Vladimir Meciar, chairman of the For a Democratic Slovakia Movement, by Dana Mestekova and Igor Rosenberg in Germany; date not given: "Waiting for a Political Error"]

[Text] Bonn—Yesterday we published one answer from the interview with Vladimir Meciar, chairman of the For a Democratic Slovakia Movement, by Dana Mestekova and Igor Rosenberg, reporters from the Deutschlandfunk Czechoslovak section in Cologne. The interview was granted during Meciar's visit to Germany. Today, we are publishing additional interesting ideas from this interview by our colleagues.

[Deutschlandfunk] Germany consists of federal laender. This may eventually become a model for the future setup of the Czechoslovak state. Are you taking such a model into consideration?

[Meciar] There were quite a number of proposals, particularly on the Czech side, foreseeing such a federal setup in Czechoslovakia. For Slovakia, this is not a solution. Slovakia is already a republic, and a republic is a higher level of organization than a federal country. We must bear in mind that the CSFR is a country composed of two nations, that is, the Slovaks, too, are a nation, and the Slovak Republic is their state formation. A federal setup, typical for Germany and Austria, basically presumes that there is one nation and this setup respects regional differences. In our case, we are concerned with the right of the nation to self-determination. A federal setup within the Czech Republic is only possible if it includes Moravia and Silesia. In Slovakia, no one considers it acceptable that Slovakia would be included in a federal setup. Proposals that Slovakia be divided into two federal states are utopian. This is not political realism.

[Deutschlandfunk] Does this mean that Slovakia must, or may, separate from Bohemia in the future?

[Meciar] I will answer this as follows: In 1990, I presented a complex proposal for the Czechoslovak setup within the framework of a federation. The proposal was not accepted, and I was not accepted, either. In 1991, when we were deciding take-it-or-leave-it issues, we said that it was still possible to live in a loser union. We said that this union could be called a confederation, or federation with confederative elements—or vice versa. At that time, our movement did not say that it wanted to establish a separate and independent Slovak state. Unfortunately, due to the fact that all our proposals are rejected, we are in a situation in which the relationship between the Czechs and the Slovaks is not being resolved, but pressure is exerted on Slovakia—pressure to make a political mistake that would cause the country to break up. The thing is, who is the one who takes the step causing the breakup. Not only is the one who takes such a step responsible, but also the one who provokes this step. I have a very critical opinion about the present bills in the Federal Assembly. If they pass, the Slovak Republic will have fewer rights than it had in the communist constitution. This is moving in a direction opposite to everything that is happening in Europe. We have not tabled a separation issue, but an issue dealing with emancipation in which the sovereignty of state formations would be respected to a certain degree.

[Deutschlandfunk] Your visit to Germany was at the invitation of the Friedrich Ebert Foundation, which is very close to the Social Democratic Party of Germany. Is this also your political orientation?

[Meciar] Our movement is not an ideological movement. In Slovakia's political spectrum, the Christian democrats found their partners in the Christian democrats and the

Christian-social parties of the West. Right-wing parties look for their partners in conservative parties, and we are free to look for orientation and help in social democratic parties. Our movement has a strong social program. It is important for us to accomplish the democratic system of the state in such a way that the term social is not confused with the term socialist or communist, terms which are inimical. It is important to us that the principles of social democratic systems and their political theories be respected, and that they be accepted as a sort of solution for the development in the CSFR. Slovakia, as a whole, is assuming its final shape in a significantly different way from Bohemia. Bohemia is drifting toward conservatism and rightist parties. Slovakia is drifting more toward social democracy—toward the center, and slightly to the left. This is where our movement belongs.

[Deutschlandfunk] Does that mean that differences that would possibly arise between Bohemia, Moravia, and Slovakia would be of not only a national, but also a political nature?

[Meciar] I would take Moravia out of this list. We have good relations with Moravians. We may rather expect that two different political formations will emerge after the elections and they will endorse different ideological principles and different concepts for their programs in Bohemia and in Slovakia. Despite this, I believe that it would be possible to reach a pragmatic agreement even with Mr. Klaus—or anyone else, for that matter, anyone whom the Czech Republic citizens would consider appropriate to represent them after the elections.

[Deutschlandfunk] What do you think about the reservations of the Christian Social Union of Germany about signing the Czechoslovak-German treaty?

[Meciar] This treaty is meeting with criticism on both sides. It is not easy to solve relations of the past. Czechoslovak representatives opened this issue in a manner that is not appropriate for the historic period in which we no find ourselves. From the very beginning, I considered it unreasonable to discuss today relations that existed almost 50 years ago, whether economic, ownership, or any other kinds of relations.

[Deutschlandfunk] What is your opinion about the accusations about the sellout of national property in the CSFR?

[Meciar] The rate at which privatization is being accelerated does not allow us to apply a perfect philosophy of what will remain in the hands of the state, what will be taken over by domestic capital, and what by foreign capital. We must create our domestic capital. Just because we do not have the patience to wait until this capital is available, we are giving away or selling out to foreign capital. This great haste in privatization leads to our fixed assets being undervalued. With stronger competition, the market value of some of our capital funds [zakladni fondy] could go higher. One of the unfortunate things is that Czechoslovakia lacks experts that would be able to calculate market value according to Western standards. I would not say that the republic is being sold out. I could criticize some projects that are more or less disadvantageous. What is worse? To have foreign capital entering our market for a lower price and ensuring employment, or not to let this capital in, leave our funds unused, and have higher unemployment? Of two evils, one chooses the lesser one. Unfortunately, we did not wait long enough for groups of people disposing of capital to emerge within our society. We have not given enough time for the layers of capital to ripen. We liquidated our market space [trhovy prostor] prematurely. We made a mistake when we opened our market without seeing foreign countries take similar steps.

Report of Croatian Nuclear Bomb 'Complete Hoax'

LD0402223492 Budapest Kossuth Radio Network in Hungarian 0600 GMT 3 Feb 92

[Text] Competent bodies are denying the information of REFORM and the paper UJ SOMOGYORSZAG that Hungary is supposed to have supplied enriched uranium to Croatia for the manufacture of an atomic bomb. Csaba Belenesi reports:

[Belenesi] The story is based on a conversation alleged to have taken place on board the Mecsek express, where two armed civilians were supposed to be discussing the fact that they were doing very dangerous work. They were accompanying enriched uranium deliveries from Pecs to Croatia, on an assignment of the (Bauxit-Nova) Company. The train makes the journey two or three times a month, says the report. And, incidentally, the safety regulations are inadequate, but the escorts are tough guys, they are not afraid of the risk of radiation. The authors then ask some questions. For example: Could it be perhaps that a Croatian atomic bomb is being prepared? Does the Hungarian government know about this foreign trade?

The article, understandably, has kicked up a lot of dust in Pecs and, as can be expected, has given rise to a series of denials. The most important of these, perhaps, is that the authors, who write under the names (Karo) and (Eszenyi Fantasy) admitted during our telephone conversation yesterday that they had published an untruth as a result of a misunderstanding and unchecked information. UJ SOMOGYORSZAG has already started to publish a two-part correction.

A leading staff member of the National Security Office of County Baranya also described the affair as a complete hoax.

Delegation Leaves for Trade Talks in Uzbekistan

LD0402094492 Budapest MTI in English 1447 GMT 3 Feb 92

[Text] Budapest, February 3 (MTI)—To make preparations for a Hungarian-Uzbek economic and trade agreement, a Hungarian delegation led by Laszlo Timar, head of department at the Ministry of International Economic Relations (MIER), left for Tashkent on Monday. The sides are to initial an agreement which will later be signed by the ministers, Mrs Asztalos, a MIER official, told MTI. Under the agreement, Uzbekistan is expected to supply cotton, its main export item, to Hungary in exchange of food products.

Of the member republics of the one-time Soviet Union, Hungary has so far signed trade agreements with Russia, the Ukraine and Belarus. Talks with the Baltic states and the Asian republics are under way.

Jeszenszky Reviews UN Summit, Preventive Diplomacy

AU0402160992 Budapest MAGYAR HIRLAP in Hungarian 3 Feb 92 pp 1, 3

[Interview with Foreign Minister Geza Jeszenszky by "B.P."; place and date not given: "Jeszenszky Gives Interview to MAGYAR HIRLAP on the Security Council Summit and the Period of Preventive Diplomacy"]

[Text] The UN Security Council hosted a summit meeting last week, unprecedented in the history of diplomacy. Because of Prime Minister Jozsef Antall's absence, Hungary was represented by Geza Jeszenszky. He stressed in his speech that the new relations will allow something never possible before, namely the prevention of international conflicts and conflicts between various peoples. Our correspondent interviewed Jeszenszky about this type of diplomacy.

[MAGYAR HIRLAP] What do you mean by preventive diplomacy? Is this a Hungarian expression or something that emerged at the recent summit in New York?

[Jeszenszky] This element was present in almost every speech. This is not something accidental or unprecedented. In fact, prevention of conflicts has always been one of the important tasks of the United Nations. It is especially timely for us to deal with this task today when we are witnesses to and active participants in a new era. The cold war was a kind of ice age in international politics, a period in which we could not have prevented conflicts even if we had wanted to because these conflicts were emerging from somewhere deep down. All we knew was that the danger of a nuclear war was threatening mankind and we had to concentrate all our resources on preventing such a war. Fortunately, this period is now over, and it is easier now to forecast things and to see the development of conflicts in advance. This danger is primarily threatening the disbanding states, but there are mechanisms to prevent conflicts. These include the CSCE and its measures aimed at protecting human rights and national minorities. There are also international conventions on interstate relations and the treatment of national minorities.

[MAGYAR HIRLAP] How did these questions make it to the UN Security Council?

[Jeszenszky] Logically. This is precisely one of the main roles of the UN Security Council, namely to prevent conflicts, and not just to "freeze" conflicts already raging and to separate the participants. Preventive diplomacy means that we must do more in order to prevent conflicts. I do not want to repeat myself, but this preventive activity is especially important when we are talking about the protection of national minorities. This is an issue that, if delayed, could easily embitter bilateral relations.

[MAGYAR HIRLAP] Hungary has a special interest in this, but you said that this issue emerged in other speeches.

[Jeszenszky] Yes, at least half of the speakers used this expression. I am referring to the U.S., British, and Austrian speeches, but others also recognized that this is one of the essential factors in the changing role of the United Nations.

[MAGYAR HIRLAP] You also spoke of the obsolescence of the principle of non-interference in the internal affairs of others. What do you mean by this?

[Jeszenszky] The same thing as the various speakers expressed at the CSCE conference in Prague. We cannot leave the old slogans unchanged. For example, this principle of non-interference cannot serve as a means of violating human and national minority rights. Nor can the violation of principles formulated in the UN Charter be an internal affair.

[MAGYAR HIRLAP] Should we interpret the Security Council summit as the end or beginning of an era?

[Jeszenszky] I hope we can talk about the beginning of a new era. In fact, the UN Charter, a document adopted in 1945, is only now becoming effective. If the Soviet Union had not had ambitions of power and if there had not been Stalinism, the Allied coalition would have continued after their victory with the democratic cooperation that began in 1941. In that case, the post-war situation would have been totally different. In any case, a series of speeches in New York showed that we must transcend the post-war conditions. The formulation of new goals means that we are now witnessing the beginning of something new. New international political relations are emerging now. This requires the will of all member states and a lot of other things, such as relations with the successor states of the former Soviet Union and the fact that the United Nations needs a lot of money to operate more efficiently. This can be done by reorganizing the UN budget and by increasing individual member contributions to this budget.

National Security Minister on Intelligence Tasks

AU0402195992 Budapest BESZELO in Hungarian 1 Feb 92 pp 12-14

[Interview with Andras Galszecsy, minister in charge of the National Security Office and the Information Office, by Attila Kovacs Ara; place and date not given: "It Is Not A Big Deal To Carry Out a Bombing Attack"]

[Excerpts] Last year's balance: Two serious terrorist attacks and a serious increase in the number of drug trafficking cases. One can also conclude from other factors, like the revival of the activity of the international intelligence services, that Hungary is facing new challenges on its way to join Europe. Andras Galszecsy gave an interview to BESZELO about Hungary's security policy and the contacts of the Hungarian intelligence services.

[Ara] Officials in Vienna say slightly maliciously that Budapest, rather than Vienna, has now become the main meeting point of the Western and Eastern intelligence organizations....

[Galszecsy] I think that the old imperial capital of Vienna still has nothing to complain about. However, Hungary's openness obviously makes it possible for such activity to develop here.

[Ara] We know that the Hungarian police have received considerable foreign aid in the last two years. Could the intelligence services also count on such support?

[Galszecsy] The similar organizations in all the traditionally democratic states have recently made official contact with us. Thus, these organizations are well aware of the current structure of our civilian intelligence services, as well as our technical possibilities. There are five areas in which such cooperation is absolutely natural, namely the struggle against terrorism and drug trafficking, curbing the smuggling of weapons and human beings, and avoiding the laundering of mafia funds. [passage omitted]

[Ara] Our Army was able to develop rather noteworthy contacts with the military leadership in the neighboring countries. What is our cooperation like on the level of intelligence services, if there is such cooperation at all?

[Galszecsy] There are neighboring countries with which we have quite normal cooperation, but we also have two blank spots: Yugoslavia and Romania. I do not think that we were definitely the cause of this. Obviously, there will be states among the new Southern-Slav states that will strive to cooperate with us, mainly because one of the major drug routes leads through Yugoslavia. Unfortunately, a route for smuggling people leads through Hungary, Slovenia, and Italy. Numerous cases of weapons smuggling have been discovered lately. (In 1991 arms smugglers were caught in 246 cases in Hungary, and two big smuggling attempts were also discovered in 1991: a plane-load and a truck-load of weapons). Therefore, there is sufficient reason for cooperation in this area, too. Unfortunately, I cannot report any Serbian endeavors for cooperation. [passage omitted]

There are many kinds of controversies with Romania. Why then should intelligence cooperation be harmonious? There have been some initiatives, and perhaps there will be such initiatives in the future but, for the time being, we cannot talk about cooperation at all. As far as I know, "Romanian relations" were the weakest and the worst in the Kadar era. [passage omitted]

[Ara] Certain doubts have emerged lately in connection with the activity of Hungarian intelligence. The press warned about the smuggling of nuclear weapons and the possibility of terrorist attacks in time, but apparently nothing has been done....

[Galszecsy] Yes, we received warning signs, in about eight or nine cases, and we immediately conveyed them

to the police. However, these warning signs were much too general to be used in our activities. Unfortunately, I still cannot promise you that no similar attacks will occur, because it is not a big deal to carry out a bombing attack in a country that one can leave in any direction within two hours. [passage omitted]

[Ara] Military experts think that the Romanian Army does not represent a danger to Hungary. What is the situation with Romanian intelligence, the SRI?

[Galszecsy] Obviously, the SRI is active in Hungary. If they deny it, you should not believe it. They have plenty of opportunities for that because a lot of people came over from Romania. The fact that most of these people are ethnic Hungarians is not a serious argument against the aforementioned supposition. Obviously, they must have been applying the method of "mildly exerting influence" in recruiting informants for some time. I would be very surprised if the SRI did not have agents in Hungary. [passage omitted]

[Ara] The documents of the former GDR intelligence agency, the Stasi, have been made public. In Romania, the head of the intelligence agency recommended freezing the documents of the former Securitate for 90 years. What should the "Hungarian solution" be like?

[Galszecsy] Obviously many people are glad to be able to read the Stasi documents. At the same time, they would be even more glad to be able to look into the documents of the FRG Federal Intelligence Agency. Although the two countries have become united, only the GDR intelligence service has opened its files, while the those of the other service remain closed. Obviously, I would not accept the Romanian example. The notorious III/III bill will be debated soon in Hungary, a bill that will enable the implementation of a certain administration of justice. Naturally, it is another matter to make these documents available to the public. I do not support this idea because this would lead to numerous micro-social tensions and problems. My question is the following: Would a person be happy if he learned that his former friend provided information about him? [passage omitted]

Constitution Court Rules on Right of Appointment

LD0202184792 Budapest MTI in English 2036 GMT 28 Jan 92

[Text] Budapest, January 28 (MTI)—The president of the republic is obliged to pass decisions falling in his powers of appointment within a reasonable time-limit needed to test the decision for compliance with the Constitution. Missing the deadline will be unconstitutional, the Constitutional Court of the Republic of Hungary stated at its Budapest session today.

The ruling was in response to the prime minister's recent request to determine whether the president of the republic is bound by a time-limit in exercising his right of appointment. If not, he argued, the government's intention will necessarily fail because silence on part of the president will create the same situation as if he refused the appointment.

According to the Constitutional Court resolution, the chief aim of setting a time-limit is to ensure the continuous operation of the state. This means that the president should exercise his right of appointment within a reasonable time-limit from nomination and sign the relevant document, or declare that he refuses the appointment.

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After learning about the Tuesday decision of the Constitutional Court, Jozsef Antall—as government spokeswoman Judit Juhasz told MTI—said he noted the decision and wishes, as always, to act accordingly.

Bank President Sees Currency Convertible by '93

LD0202190192 Budapest MTI in English 0831 GMT 30 Jan 92

[Text] Washington, January 30 (MTI)—The Hungarian currency can be convertible by the end of next year, National Bank of Hungary (NBH) President Peter Akos Bod told MTI on Wednesday, the closing day of talks with IMF and World Bank leaders and U.S. administration officials.

The Hungarian Government is planning to raise the amount of convertible currency available for Hungarian tourists. This step, however, can be taken only after appropriate reserves and conditions have been created, Bod said after talks with IMF officials. At present, Hungarian citizens travelling abroad are entitled to buy convertible currency of 50 US dollars each year.

During the last day of his talks here, Bod delivered a lecture on Hungary's restructuring to economists at the Enterprise Institute, held talks with deputy secretary of the treasury John Robson and met with media representatives.

Hungary's financial plans for this year are considered realistic by U.S. officials, who said Hungary will be able to pay its debts and a slight economic growth also seems possible. The talks with Robson were conducted in a friendly atmosphere, Bod said. The NBH president left for Budapest on Wednesday evening.

Germany's Genscher Praises Talks in Warsaw

LD0402211792 Warsaw Radio Warszawa Network in Polish 1800 GMT 4 Feb 92

[Report by Boleslaw Wdowczak on joint news conference by German Foreign Minister Hans-Dietrich Genscher and Polish Foreign Minister Krzysztof Skubiszewski at the Council of Ministers office in Warsaw; date not given]

[Text] Ministers Skubiszewski and Genscher made very short statements. The host expressed satisfaction that the head of German diplomacy came so soon after ratification of the treaty by the parliaments of both countries and stated that good relations with Germany is a constant and unchanging goal of Polish foreign policy. Professor Skubiszewski also recalled the support given by Germany for Poland's association with the West European institutions, for cooperation in protection of the natural environment, and in youth cooperation.

According to the Polish minister, external bilateral cooperation is also good. Good relations with Germany are not a wish but a reality, the head of Polish diplomacy emphasized in conclusion.

The guest recalled that he is visiting Poland for the first time after ratification of the treaty and confirmed that his talks dealt not only with bilateral issues. Poland and Germany are not creating a new European architecture, Genscher stated, emphasizing the good atmosphere of the talks with Minister Skubiszewski.

Questions were asked after the statements. Asked whether emphasis on the role of Germany means a decline in the role of other states, Minister Skubiszewski answered: Absolutely not. The German guest mentioned the meeting of the heads of diplomacy of Poland, Germany, and France in Weimar in August last year. The meeting, according to him, was of a symbolic nature. He added that the transit of the former Soviet Army was not discussed.

Answering a journalist from MAERKISCHE ODER ZEITUNG, Genscher said that Germany is interested in the development of regional cooperation. Three border Laender—Sachsen, Brandenburg, and Mecklenburg-Verpommern—are cooperating with Polish voivodships. The federal government supports their initiative. According to Genscher, the central position in Europe of Poland and Germany puts them under particular obligation in shaping the all-European peace process.

Minority Leader Speaks on Ties With Germany

LD0502124992 Warsaw PAP in English 1245 GMT 4 Feb 92

[Text] Warsaw, Feb. 4—The leader of the German minority parliamentary floor group, Henryk Kroll, said on Tuesday that "there are grounds for Polish-German relations to be better even than current German-French relations".

Kroll was speaking in an interview on radio "Zet". He said that the example of the Opole region [where most of Polands German minority population lives] showed that a common life marked by harmony and reconciliation between Germans and Poles was possible.

"There are no Polish-German antagonisms, and if minor incidents occur, then they are due to family rows and not great sensational incidents", Kroll noted.

Asked if the German minority in the Opole region maintained contacts with their compatriots from Landsmanschaften in Germany, Kroll said: "The question of Landsmanschaften is something which was created in the past system, but for us our compatriots are our nearest, our friends, our kin.

"These are people who once lived here and it is hard to imagine breaking family ties. We maintain and will maintain contacts with our compatriots, but that does not mean that we agree with the politics of Landsmanschaften", he said.

Walesa Chairs National Defense Committee Meeting

LD0502140892 Warsaw Radio Warszawa Network in Polish 1105 GMT 3 Feb 92

[Text] The National Defense Committee has held its first meeting since the appointment of Jan Olszewski's government. The meeting is devoted to the problems of reorganization of the Armed Forces and the concept of the defense doctrine. Andrzej Jelenski reports:

[Jelenski] The meeting began several minutes past 1000 in the State Protection Office building in Warsaw, and it will end, I think, in a couple of minutes time. President Lech Walesa is presiding over the committee, and participating are: Premier Jan Olszewski, Sejm and Senate Speakers Wieslaw Chrzanowski and August Chelkowski, Foreign Minister Krzysztof Skubiszewski, National Defense Minister Jan Parys, Internal Affairs Minister Antoni Macierewicz, and Jerzy Milewski, head of the State Protection Office. Opening the National Defense Committee meeting, President Lech Walesa said:

[Begin Walesa recording] It is better to talk than [words indistinct]. On the other hand, it is better to hold discussions here first, rather than elsewhere. After all it is a serious matter, it is not a boy scouts meeting. Really, this has to do with state security for which we are responsible. The supreme commander of the Armed Forces is responsible and will be responsible, unless other laws change this state of affairs. Presidents will come and go, as will premiers and ministers, but Poland will remain. Let us therefore be directed not by our positions or our posts but by Poland; let us be directed by tasks and responsibility. Let there be no slogan heard that Poles only wise up after it is too late, that they only prepare themselves when there is danger. We must have preemptive replies to a number of questions, and be prepared for a number of scenarios.

At the Coucil of Europe meeting yesterday I stressed that there are both dangers and dissatisfaction. Seeing Europe's torpor, seeing the fact that, as it were, we failed to cope with all the dangers and threats, alone we must, first and foremost alone, take care of this issue. This does not mean that we do not need advisers and experts. We need them and we will use even foreign experts. But after our experiences we know that this task lies upon our shoulders, that first and foremost we are responsible for the state of the country, its security and (?for) [word indistinct] its peaceful development.

I ask you for a manly discussion, but one which will bring us closer to greater security, greater understanding, wiser management of this sector which, at a time when epochs are changing, is so important. Today we do not have organized enemies; it is even very difficult to determine dangers and enemies today. This does not mean enemies do not exist; this does not mean they are not to be spotted.

These days we must be ever more clear and we must take care about our clarity; and in matters of security we must be exceptionally clear, exceptionally understanding so that it is known who is responsible for what and where. The situation can no longer continue to be diluted, so that it is not known who is subordinate to whom, who speaks in whose interest, and where he stands. Greater responsibility must be placed on these, and greater seriousness. [end recording]

Cabinet Approves Economic Policy Draft

LD0502073692 Warsaw PAP in English 2221 GMT 4 Feb 92

[Text] Warsaw, Feb 4—The cabinet initially accepted Tuesday the draft assumptions of its socio-economic policy in 1992, but the final version of the document will be approved next week so that it can be submitted to the Sejm (lower house) by February 15.

The assumptions, presented to the cabinet by Central Planning Office (CUP) head, Minister Jerzy Eysymontt, envisage a budget deficit possible to be financed without stimulating inflation, that is from 4.5 to 5 per cent of national gross product, provided that inflation would not surpass forty-odd per cent annually.

Eysymontt declared that the government would pursue the policy promoting export-oriented production. Hence, the possibility is considered of introducing tax reductions and exemptions from customs duties on materials used in export production, and of special guaranteed credits for exporters.

The government also envisages the limitation of the growth of official prices, above all those of fuel and energy, the restoration of the state alcohol and tobacco monopoly, and strict licencing of trade in liquid fuels.

The tough wage discipline and that of spending on social welfare can be relaxed only to the extent permitted by the growth of budgetary revenues, Eysymontt declared. He also announced energetic anti-recession measures, but within limits that would not shake stabilization.

According to Eysymontt, the current year will mark a turning point as it will create fundamental conditions for an economic growth in the years to come, and the conditions for a gradual reduction of inflation and deficit. It is impossible to liquidate the deficit by 1994, but it seems possible to achieve a single-digit inflation, he said.

The assumptions will be supplemented with annexes concerning the social, industrial, regional, agricultural and ecological policies of the state, as well as a privatization programme.

The cabinet decided to submit to the Sejm several draft laws to introduce changes in the Polish judiciary, the penal law and the civil one. All the drafts were prepared by the former government of Jan Krzysztof Bielecki.

The Council of Ministers accepted the document on the condition of the state at the turn of 1991, which will be presented to the Sejm and public opinion still this week.

The 16-page report comprises 7 chapters that deal with the economy, finances, living standards of the population, public institutions, law, internal security and mass media. According to government spokesman Marcin Gugulski, the document presents a general view of the causes of the present plight of the Polish economy.

The government submitted to the Sejm a draft law that would limit the possibilities of persons performing public functions to conduct economic activities. The draft will cover state officials and employees of state offices and local self-government occuping managerial posts in their boards. Also, persons performing public functions will have to state their financial standing before assuming the post and after resigning from it, as well as over the whole period of holding a given post.

Walesa Interviewed on Political Issues

AU0402131192 Warsaw RZECZPOSPOLITA in Polish 27 Jan 92 p 3

[Interview with Polish President Lech Walesa by Bozena Wawrzewska and Dariusz Fikus; place and date not given: "You Cannot Be Going Both Backward and Forward"]

[Text] [RZECZPOSPOLITA] Mr. President, on 24 January you held talks with three prime ministers. The communique released after the meeting was enigmatic and failed to say anything. An event took place, and no one knows why.

[Walesa] That was precisely the point. People should start talking, even if it means that they will start offending each other. This was a case of people feeling dissatisfied and of transforming that dissatisfaction into activity. We do not have meetings in order to have a chat

and to have dinner together, but in order to assess the current situation and to try to address the challenges that it presents. On other the hand, the fact that we are working and doing some thinking does not mean that society does not have to do these things. That is the sense in which the meeting achieved its purpose. Moreover, it is not interesting to state everything and to explain everything exhaustively.

[RZECZPOSPOLITA] There is a debate on the constitutional order in progress. How do you imagine the division of power in the state. Should relations between the president, parliament, and the government assume a different form in the future, or should they have one form now and different form once a democratic system has already been established?

[Walesa] You should bear in mind that I look at things in terms of practice, and I approach everything, including the presidency, from that angle. We are familiar with the various theoretical solutions that are employed in the rest of the world, and we will probably not think up anything new. We are familiar with the American system in which everything is subordinated to the president and with the example of Germany, in which the president only has a representational function, and others exercise power. We will have to tend in the direction of one of these two models. The introduction of either one of them has both pros and cons today. Neither model is completely appropriate to the situation in which we find ourselves at the present time. The American model could hinder the development of democracy, and the introduction of the German system would mean having to pay for a representational post, which is something that we do not need all that much today. So, we should be building some model, we should move toward some set of solutions, but what solutions are the best for Poland is something that will only transpire later.

[RZECZPOSPOLITA] But what should be done today? How should power be exercised?

[Walesa] Precisely what I am doing—I have to give myself some praise in this respect: There should be a president who accomplishes 1,000 percent of the norm. In ways that are often just within the law, I am trying to encourage people, to provide stimulation, and to irritate people. The aim is to make people think about how—without legal regulations and experience—to try to find the best way of solving Poland's problems. People should work as much as possible, because Poland needs a lot of work to be done at every point at which we find ourselves.

[RZECZPOSPOLITA] What form should relations between the church and state take, because on the one hand the church's influence on decisionmaking is growing, but on the other hand—judging by the results of public opinion polls—its authority is declining in the eyes of society?

[Walesa] I do not agree that the church's authority is declining. However, assuming that it is, then that stems from the fact that we currently have a hazy image of our system, of the powers that we have and of our responsibilities.

We are renovating our state, we have installed various mechanisms, but we still have a mess, and there are still things that we do not need in this room of ours. That was the case until the free elections. It is only now that we are beginning to lay the groundwork and to put things in order.

For fifty years the church had no access to television, but now it has. We have to build our Polish house together, and everyone should have a part in building it. Everyone should do a share of the work. It would be a bad thing if the church hierarchy were to find itself outside the process, if it were not to know what decisions are being made. However, it would also be a bad thing if it were to interfere in government, which does not lie within its sphere of authority. So, we should all be present in those places where decisions are made, but not everyone has a right to determine the decision that are made, because not everyone has a mandate, because not everyone has been elected, because there are those who are responsible for spiritual needs and then those who are responsible for material needs. However, because there is still no clear-cut system, one can be suspicious, anxious, and dissatisfied. That is normal during times that are not normal.

[RZECZPOSPOLITA] So, what is the role of your chaplain?

[Walesa] Today, no one who is serious about performing his duties properly, who is very concerned about them, can easily endure the psychological pressure that that entails. To avoid making mistakes along this difficult path, to maintain a purity of mind and spirit, one needs a person who is a spiritual confidant. Second, by having a member of the clergy at my side, I want to stress that the future form that Poland will take is something that everyone can be involved in, that the desire to build something and not the assumption of roles is what counts.

[RZECZPOSPOLITA] In your opinion, how safe a country is Poland?

[Walesa] If we were to look at the issue in terms of the classic categories, the number of assaults and so on, then the situation is very bad. However, if we view the issue in terms of the philosophy that we are trying to introduce, that is, respect for civil liberties and the rights for minorities and so on, then there are no dangers in this respect with the possible exception of those stemming from the movement of peoples, which is a threat that we face, and from differences in the standard of living.

[RZECZPOSPOLITA] The situation in the east is still unclear. How, in your view, will what is happening in the countries that used to form the USSR impact on Poland's stability. What will we do if there really is a great movement of peoples, if refugees start arriving?

[Walesa] I was the first politician, and that was a long time ago now, who consistently maintained that the best solution for the Soviet Union would be for it to be dissolved as quickly as possible and that a new association should then be created, but on different terms. The longer this process is delayed, the greater the danger to Poland, Europe, and the world. The move has been made rather late. It has caused a variety of dangers to accumulate, mainly economic ones, and it may result in famine on the other side of the eastern border. That would cause people to leave, and there are certain eventualities that we will have to tackle. Poland is not ready to receive millions of people. Quite simply, we will not be able to cope with the problem alone. Poland will have to receive hungry women and children. We have too few planes, too few means to transport people to other countries. We will try to accommodate all those people that we cannot feed elsewhere and try to reduce the effects of such a great movement of people, of the great tide that will probably reach us. I thought and still think that the situation will develop in that direction, and we are making preparations.

[RZECZPOSPOLITA] What are relations between you and the prime minister and his new government like?

[Walesa] They are developing in the best possible way within the logical framework of building democracy. Everyone should do what they are good at, everyone should do what they have been trained to do. I do object to the way in which my political moves were interpreted, namely, that I sought to delay the formation of a government by Jan Olszewski because that was the way I wanted it, or because I liked or dislike Mr. Olszewski. I was trying to bring about the formation of a government that would last, that would have a chance of surviving, and I wanted it to have a larger political base. That is why I made its formation as difficult as possible, and I did so to win time to allow a stronger government to be formed, to give it more strength. However, what I did was interpreted differently. The public statements that I had earlier made on how I would respect democracy more than people expected were forgotten. Before the elections I said that even if a majority disagrees with me, the situation that will arise following the elections will be one in which the party that wins will not be able to form a coalition and will not be able to govern. I would, however, behave as a democrat and propose to the party that wins that it form a government, because that is what democracy dictates. That is why my first candidate for the post of prime minister was Professor Geremek. I made the formation of a government difficult not because I like or dislike someone, but because I want to give democracy a chance. I tried to create a more extensive base for it. When things began to take too long, I could not allow Poland to become a symbol for misunderstanding, discord, and impotence. I helped create a government for the sake of democracy and because that is my duty as president, and I am still helping it, although in the current situation, my assistance will not be the same as it was in the case of the previous government. Tidying up the political scene means that everyone should do his job and settle his debts. Assistance is one thing, but I have been elected by the nation, I have to be on its side, and that nation can propose various courses. One has to consider them and if there is a chance, then explain whenever and wherever possible that the courses that we have chosen are the most appropriate ones.

[RZECZPOSPOLITA] How do you view what is called decommunization today, and what do you think about the policy of wiping the slate clean?

[Walesa] It seemed to me and to our elites that if we were only given a chance, then everything else would be very simple and would proceed smoothly. Until the elections our hands were tied. Today, we have more of an opportunity to satisfy numerous expectations, and that is where the problem starts. We are not doing what we should be doing. The elites are not demonstrating that one cannot solely demand things of the president, that the president is not responsible for everything and that in a democratic system, authority rests with three institutions and, above all, with the institution dealing with the law, which provides a plan for the construction of the republic. The law permits the exercise of government, and the president initiates things, provides assistance and so on. Today, when we find that there are many things that we cannot achieve, we resort to old arguments, that is to say, we look for someone to blame, if you cannot deliver the goods, then propose a distracting sideshow. I am not saying that decisionmakers or those who are guilty of crimes should not be made to account for their actions: They have to be. However, everyone, including priests, derived some benefit from the communist system, people attended school under the communist system. Every one of us functioned under the system for fifty years, but not all of us made mistakes and not all of us have to be held to account for what we did. Settling scores, history, and the past cannot be a program for the future. The future is what has to be addressed first, and the past should be left to history and the prosecutor's office.

[RZECZPOSPOLITA] It is said that you do not use advisers and that you do not heed other people's advice. In that case, the team of advisers that there is talk of forming at the Belweder Palace, a team that will be made up of former politicians, will surely just have a decorative function?

[Walesa] Let us put the question differently. Do advisers use the president? All the presidential advisers who were at one time displeased with me are now governing the country with Prime Minister Olszewski leading them. They still have not worked out what I want to build, what I am trying to bring about, that is, the work that I am doing. I am assessed in terms of who gets what, who is treated how. That is the wrong approach. I bear responsibility for what I pledged to do: I want to lead Poland to normality and to introduce the same principles that are observed in the rest of the world. I am doing that in a

practical way, without providing explanations, and without trying to score points, and that is exactly what I am doing. I helped Kaczynski, I helped my advisers and I have led them into a situation in which they are running the country. I have carried out that role. What should I do next? Seeing that one side has become stronger—the one that I formed, the one to whose emergence I contributed—I now have to achieve a balance, which will result in a fairer distribution of opportunity. That means I now have to get involved in a struggle with the system and with those advisers who were trying to create confusion. You cannot have a situation in which the advisers are in power, but they have no program. The president should have a center for considering strategy, programs, for working out the direction in which Poland should develop, and what such a center works out could either be used by the government if it wants, or it might be of use to other forces, to political parties for example. Some of the groundwork will have been done, and there will be a vision for Poland's future development. I must try to do that.

[RZECZPOSPOLITA] However, to an outsider, it looks as if you are always trying to stir things up in Poland?

[Walesa] If I remained solely within that area that I have been given, then I would not have any enemies. However, because I am achieving 1,000 percent of the norm, I am running into trouble with all those structures that are stable, peaceful, and are not reforming themselves, and I am coming up against all kinds of obstacles. I know that there are times when I will lose and will lose a great deal, but Poland and the system will gain as a result.

[RZECZPOSPOLITA] According to public opinion polls, your ratings as a politician are not the highest. What do you think are the reasons for that?

[Walesa] If I were running in an election, that really would be disturbing. It would indicate that my chances are poor. However, there is no election campaign today, and I am not looking for an election victory. I do not have to continually demonstrate what I have done for Poland. Of course, I have not succeeded in everything, but what I have done is enough. If I were to demonstrate what I have done, then I would not have a partner who would want to run against me, because everyone would lose.

[RZECZPOSPOLITA] Is that not rather reminiscent of Pstrowski, who fulfilled 1,000 percent of the norm? Is it not something of an old-fashioned line of argument?

[Walesa] Which moves of mine that were considered wrong really have turned out to have negative consequences. Privatization for example? If the government had carried out privatization the way I proposed, that is, general, large-scale privatization, we would not have all the scandals that we have today. If the government had the powers that I called for, then the situation would be different. Everything indicates that I was right, but that gives rise to hostility, envy, hatred and other problems.

[RZECZPOSPOLITA] At the end of the last Sejm's term of office, you proposed the adoption of special powers. If you had treated the Sejm a little differently then, if you had at least attended the last session, then the issue probably would have been settled.

[Walesa] At that time the basic task that I had set myself was to achieve normality, free elections, and the formation of a new government. I could not demand instruments for the new government. I have now behaved similarly with respect to the new government. I showed society that there is a need for extraordinary powers and if life in Poland becomes increasingly marked by anarchy, I will agree to become prime minister, but only if I am given extraordinary powers and with a scope that I will define. I cannot not define the scope of powers for any government. I am only pointing out that it is necessary to settle certain matters, I want to provide a stimulus, I provide encouragement and then step back, leaving things to whose who want to take them up and who will find that useful, and that, not collecting points for good ideas, is my objective.

I still believe that it would make sense for three ministers to have special powers in the following areas: the prosecutor's office, because the law is in a hopeless state; the police, because it needs them urgently, and the economy, which requires fundamental reforms. These three areas should, in my opinion, be covered by a law on special powers.

[RZECZPOSPOLITA] It is being said that the present government came to power thanks to the backing of "Solidarity," and that as a result, it will occupy an ambiguous position in conflicts with the unions. The 13 January strike is an example. So, in your opinion what is the role of the trade unions today?

[Walesa] Since the start of our conversation, we have been saying that the political scene is confused and unclear, and that it has to be tidied up. That also applies to the place of the trade unions. I have proposed that we roll up the "Solidarity" banner, the battle is over. Now it is time to organize ourselves for getting down to work. I also said that the sooner "Solidarity" loses against the new organizations, the more that will be to its credit. If it loses against the old organizations, it will suffer a defeat. I am on the side of the masses, because the masses are right, but I am also on the side of the government, because there has to be government. So, I am both for and against. I am for, because the masses elected me and the masses are right: It is true that we governed badly. However, at the same time, as president, I am stating that certain possibilities exist, and only those possibilities, and they have to be taken up. So, I am both for and against. It is a question of interpretation and of the view that one takes.

[RZECZPOSPOLITA] Mr. President, the state is unstable, property is not respected, taxes are not being paid, the police and the military are weak. What can be done in this situation?

[Walesa] I will remind you of a comparison that I used a long time ago. The old system that we have left behind was an automobile that was travelling backward at five miles an hour. Whatever one may say, it was actually moving. However, we realized that the world was not moving backward, but forward, and not at 5 but at 100 miles an hour. It is not possible to travel both backward and forward. To move in the right direction, the automobile has to be stopped first, and we have stopped it. The problem is how to start moving forward. For some people, the only answer is capitalism, while others say it is state intervention. Some favor mass privatization, others favor semi-privatization. Although a direction has been set, it is terribly difficult to move off with the old laws, old habits, and the old mentality. To those Poles with a romantic spirit, it seemed an opportunity, everyone would act the right way, because they would understand what is important for Poland. They would not busy themselves with composing slogans and criticizing Walesa, because the driver has to have to have a clear head, he should not be knocked around, but everyone is trying put spokes in his wheels. Today's battle is not to be fought with legal regulations, but with the force of persuasive argument. Patriotism should be appealed to. Poland is taking a beating. Poland comes first, so let's go. Even if you can steal something, even if you can get around certain regulations, then as a matter of honor as a Pole and for the sake of a better future you do not do it. So, it is not a matter of regulations, but of appealing to the Polish heart. Someone should be writing these things, and it should not be me.

However, I will start writing, if others do not do anything: If you have a chance to steal something, don't do it, because you're stealing what belongs to Poland and to your children's future. What are people writing in Poland? Catchwords and pornography. In NIE, Urban is allowed to attack everything that is sacred. He makes fun of patriotism, but is still able to make money. We have made a mistake about our roles. That is something that the elites should be speaking out about, but the elites are letting us down. The elites are not fostering a positive form of Polish patriotism to rescue, bolster, and give moral support to society in the face of all the difficulties that we have.

[RZECZPOSPOLITA] What has been your biggest mistake as president?

[Walesa] I made one mistake: I was a romantic. I thought that given the opportunity, people would do what they should. We should now be united with each of us making his own contribution to building Poland in the same way as we had that beautiful unity when we waged our struggle in the past. We should not be running each other down. If there is to be criticism, then it should be about being more clever and having a better program, and not about disliking someone. There is a fierce struggle about the future in progress.

SRI's 'Play at Transparency' Criticized

AU0302210192 Bucharest ROMANIA LIBERA in Romanian 28 Jan 92 p 3

[Raluca Stroe Brumariu and Adrian Bucurescu report on news conference held by the Romanian Intelligence Service: "There Has To Be a Certain Continuity. And It Existed"]

[Text] On Thursday, 23 January, Mr. Dumitru Cristea, deputy director of the Romanian Intelligence Service [SRI], held a news conference at the SRI headquarters in the form of an open dialogue during which his answers to the questions asked by journalists sometimes skillfully avoided more delicate subjects. The news conference was also attended by SRI spokesman, Mr. Nicolae Ulieru. Beginning with the customary criticism about the independent press, the discussion then focused at length on the case of SRI Colonel Marin Iancu (who has been placed in the reserves and is entitled to retire) and his interview with FLACARA magazine. We will now present the most important ideas of the news conference: All formerly compromised SRI officials have been discharged and we were assured that "radical changes have been made." The number of those who have been discharged remains a state secret. As for the "radical changes," things are somewhat nebulous. We understand that at the beginning people were hired "somewhat randomly," but that at the same time "many cadres were transferred from the Ministry of National Defense and the police." The SRI deputy director believes that former party activists are "people with a compromised past." This was a pretext for journalists to ask "confusing" questions: Thus, does Mr. Magureanu also have "a compromised past," because he was a teacher at the Stefan Gheorghiu Academy? The answer given by Mr. Cristea, who was promptly supported by the chief editor of DIMINEATA newspaper, convinced us of the SRI deputy director's IQ. "Mr. Magureanu has never been a party activist. He has just been a first class professional and intellectual. At the academy he was a technocrat who specialized in political doctrines." And we also learned that "the Stefan Gheorghiu Academy was known for its first class professors. If we still have high quality people in numerous areas this is also because these people, who put up resistance from within, existed." As for Virgil Magureanu's book, "it is recognized and quoted abroad." Laughter in the hall.

Here is some extremely interesting information: "We are the first institution to make the Nikolski and Draghici files available to the court (the Prosecutor's Office); they are overwhelming documents on their crimes against the Romanian people, against hundreds of people (and we believe that they are thousands!) who were sent to forced labor camps (!). The files on the two will be on the Prosecutor's desk on Monday, 27 January." And the SRI does not stop here, but intends to make available all the evidence it holds in order to launch the long expected trial of communism. Thus we were told that former political detainees and people who had to suffer during the communist regime may demand to see the files in the SRI archives. Mr. Cristea said that "we have made these files available to 25,000 people for moral rehabilitation purposes" (!). The SRI is to propose an amendment to parliament that will permit access to the Securitate files. Asked whether Mr. Petre Mihai Bacanu, for instance, would also be permitted to see his file, the SRI deputy director answered: "If he feels persecuted and if the amendment is approved." Thus, some people (25,000) have access to the files before the amendment has been endorsed, while others do not.

Mr. Ulieru, former film critic for the former SAPTAMINA, believes that he was persecuted by the communist regime. (Maybe because he got a job just with SAPTAMINA).

We also learned what the SRI's task is: To demonstrate that an anticommunist resistance existed in Romania! (Could the SRI be the most upright "body" in Romania?)

In connection with Mr. Virgil Magureanu's participation in the revolution and the trial of the Ceausescus, we were told that: "Mr. Magureanu tactfully avoided making a big fuss about the fact that he participated in the revolution and this was not easy." As for the trial, he was appointed by the National Salvation Front Council and was given a mission (truth will out) by those who were coordinating things at that time. He was a member of the National Salvation Front Council and a certain continuity had to exist." We have to confess that we did not understand very well what continuity he was talking about. There is no legal framework for using secret files to blackmail political leaders. There is no grudge against the SRI. Allusions to foreign threats have been quite frequent. The SRI was not involved in the September events. As a matter of fact, Mr. Cristea confessed: "I was not in the country during those events." Nevertheless, the Parliamentary Investigation Commission interrogated him in connection with the fourth incursion by the miners (a logical procedure worthy of our parliament!).

"I assure you that the SRI is by no means inefficient." It is not the SRI that intercepts telephone conversations and opens correspondence. On the other hand we have been able to trace 40 workers at telephone exchanges in Transylvania who were listening to telephone conversations. On that occasion we learned that one of the 40 workers succeeded in fleeing to Hungary.

Asked where ROMANIA MARE and EUROPA magazines obtain their information, Mr. Cristea avoided providing a clear answer. As for the SRI's right to own trade companies, we were told that the SRI just has an agricultural farm that it took over to ensure food for its students. How moving!

In the opinion of the SRI deputy director, there are no extremist parties in Romania. "We are trying to make the Ministry of Justice take over our archives" (when were the secret archives entrusted to the SRI?) The reason why the Ministry of Justice delays taking over the SRI archives is... lack of space!

Do you feel that you were persecuted by the communist regime? Do you want to consult your file? Then forward an application to the Prosecutor's Office. The latter will send a letter to the SRI asking it to make the given file available to the applicant. Try, and we will be surprised if you succeed.

"There has to be an authority (the parliament) to evaluate all the negative consequences of these disclosures. We will not win anything, but lose a lot. However, if the amendment is endorsed by parliament, we will not put up any resistance." (We repeat that this amendment was proposed by the SRI). There are several information services. The SRI sometimes tells the truth: "There is no information service without making use of disinformation." Moreover, in Mr. Ulieru's opinion, "disinformation is a unifying component of work" (!). The SRI itself is "systematically subjected to disinformation on the part of other services." It is interesting to note the efforts to use the press—the public's most important source of information—for subtle disinformation purposes. Thus correct information was intermingled with incorrect ones and most of the journalists present at the meeting were not convinced by this play at transparency.

Spiroiu Explains Military's Election Procedures

AU0402201292 Bucharest CURIERUL NATIONAL in Romanian 30 Jan 92 pp 1, 4

[Interview with Minister of National Defense Niculae Spiroiu by Andrei Alexandru; place and date not given: "The Army Is Not Facing Political Problems"]

[Text] [Alexandru] As we approach election day, the temperature is rising, not only inside the country, but outside as well. Thus, fears have been expressed about the fact that the Ministry of National Defense is organizing maneuvers in Transylvania during the elections in order to intimidate the electorate in this area of Romania. We cannot just leave such fears to circulate without an official response, so we have turned to Lieutenant General Niculae Spiroiu, minister of national defense, to give us the correct explanation.

[Spiroiu] Such fears are unjustified. In accordance with our plans, which are not made according to political events, no operations, drills, or maneuvers are planned for January and February. As a matter of fact, even shooting drills on practice ranges are forbidden during the elections.

[Alexandru] Would you please tell us what you in the Army have done to inform soldiers properly about candidates and their programs?

[Spiroiu] In accordance with the order of the General Staff, all measures in connection with the proper observance of the law on local elections have been worked out in detail. Thus, within the daily program of conscripts, there are set days and hours, when, at the request of any party or independent candidate, electoral propaganda meetings are held. Likewise, a special place for displaying electoral posters has been set up in military units.

[Alexandru] How will conscripts vote?

[Spiroiu] In units of more than 50 potential voters, voting stations will be set up, while in smaller units, we will organize the transportation of soldiers to polling stations in units where they can vote or to regular voting stations, to the so-called "civilian" stations in the respective locality.

[Alexandru] A number of leaders and candidates claimed that conscripts could be pressured to vote for one party or another.

[Spiroiu] They assume that things are approached in bad faith in the Army, which is a completely erroneous, even an offensive, assumption. Even if it was so—although I want to reiterate that it is not—the share of military voters is about 1-1.5 percent of the total of people eligible to vote and this cannot influence the results. If military commanders tried to influence and pressurize young soldiers, such actions would certainly be found out without delay. However, I am sure that this is not the case.

[Alexandru] What is the technical procedure established by the Ministry of National Defense for participation in elections?

[Spiroiu] We, together with the Ministry of the Interior, ensure the surveillance, order, and the security of voting stations, and the soldiers who carry out their duties at a polling center will be able to cast their vote there.

[Alexandru] I believe that we will also have observers from abroad at these elections. To what extent can they move freely on the premises of military units?

[Spiroiu] We permit foreign observers who are accredited to the polling station to enter the unit. They can talk with soldiers and, moreover, we allow them to take pictures and make video recordings of the voting process. However, the tracks along which the observers move and the places where video recordings are made are strictly connected with the place where the voting is taking place, so as to avoid turning the activity of observing elections into an exercise in collecting information about the Romanian Army.

[Alexandru] What would you like to tell our readers?

[Spiroiu] Recently, some tendentious statements have been heard in connection with the participation of the Army in the elections. I believe that this is part of the campaign by certain forces that do not regard the stability of the Romanian Army favorably and who no doubt want to compromise it using all possible means. They show enmity toward the Army and I believe that those who are enemies of the Romanian Army are also the enemies of our country, and he who is the enemy of the country will be treated accordingly.

[Alexandru] Recently we heard news about an additional supply of combat technology received by the Hungarian Army. Would you like to comment on it?

[Spiroiu] I also heard the news, carried by international media, that Hungary has received Germany's political approval to buy combat technology belonging to the army of the former GDR. We have also learned that Hungary will receive a certain amount of assistance from the United States in this matter. In spite of the fact that we also forwarded a similar well-founded and justified request, as early as October 1990, up to now we have not received the political accord on the principle. Issues connected with the level of military technology supply of the armies of the former Warsaw Pact member countries are much more complex, and the dissolution of the former Soviet Union and its Army makes it even more complicated. Our military analysts are concerned with these issues. The problem that is currently facing the Romanian Army is not so much political as budgetary. As the prime minister also mentioned, the Army would need a minimum of 140 billion lei in 1992. But I will discuss this problem, as well as the problem of possible changes in the balance of forces in Europe, at a news conference that I intend to organize in the near future.

DC Candidate for Bucharest Mayor Discusses Plans

AU0502095792 Bucharest DREPTATEA in Romanian 29 Jan 92 pp 1, 2

[Petre Stoica report: "The National Salvation Front's Candidate Avoids Direct Confrontation With Me"]

[Excerpts] An election meeting held outdoors during the winter is a cheerful thing in a world that not long ago witnessed absolutely formal election campaigns during which the designated candidates of the only party were elected beforehand. At 1000 on Sunday morning [26 January] at the entrance to the "Children's Park" (Steaua-Grivita District), a compact group of citizens met with their guest, Mr. Crin Halaicu, Democratic Convention [DC] candidate for the office of general mayor of Bucharest. The candidate listened carefully to people's complaints and answered them promptly, in each case giving them pragmatic and appropriate solutions, quickly winning the trust of those present.

The issue dominating the meeting was the housing problem. Between 1905-1925, the Railway Company had built modest, social houses for its employees in which, because they lacked certain basic comforts, the beneficiaries invested serious money throughout the years. The greedy socialist state took over these assets in 1959 and the railway workers and their successors found themselves the tenants of the ICRAL [Enterprise for Dwelling Construction, Repair, and Administration], an enterprise that was in the habit of taking away a lot of money while offering nothing in return. "We want our houses back" some desperate voices were heard. That is, they demand that those houses be sold to the people who are living in them, so that they can purchase them under decent conditions and without obstructions. The news that these houses will be sold to other people is a matter of great concern for the current tenants, particularly for the elderly. Mr. Halaicu assured people that—if he is elected mayor—the case will be taken over by the mayoralty and solved simply, in a way that will help those in need and, moreover, the necessary investment will be made to renovate the buildings: "The law has to be applied in defense of the ordinary people" the candidate said clearly. [passage omitted]

I wanted to know what would be the first step that the Democratic Convention's candidate would take after the elections that he hopes to win; his answer pleasantly surprised the listeners: "I will start by checking how the money is administered, to see what happens to the money, then I will move on to organizational matters." Talking about "organizational matters" I mentioned the issue of demilitarization of the Police, an important point in Mr. Halaicu's election program. The explanation once again demonstrated the pragmatism of a person with a European outlook. "The police, he said, is not supplied in the proper way" and it will be reoriented so that it is closer to the citizens. Similarly, the Police must procure a source of income in a different way from the way it is done today, when it does not benefit from it. This source of income should come "from carrying out guard duties, ordered through the mayor's office." In this way policemen could get more substantial salaries. Mr. Halaicu has far-reaching plans, with benefits in all areas, as it should be in a capital city such as Bucharest. [passage omitted]

Mentioning the meeting with several candidates for the office of general mayor of Bucharest organized by the Romanian Journalists' Association at the headquarters of the Group for Social Dialogue, a meeting that put Mr. Halaicu at the top of the journalists' list, Mr. Halaicu said cheerfully; "I regret that Cazimir Ionescu [the FSN candidate] did not come. As a matter of fact he did not come to the meeting organized by the daily LIBERTATEA. Cazimir Ionescu avoids a direct confrontation with me." A refusal that does not surprise anybody....

Engineer Crin Halaicu left a very good impression on the voters who came to see him and mainly to listen to him. As a matter of fact, this impression has started to spread among the majority of Bucharest inhabitants, who feel in this charismatic person an intelligent man, full of energy, who is capable of finding specific solutions to restore a capital city that has been violently distorted by communist rule. Let us hope that until 9 February 1992, election day, the candidate on whom we set all our hopes will impose his program with increased vigor, a program that seemed to us coherent and realistic, far from the daily demagogy that is being offered by some "candidates" on television. [passage omitted]

Law on Local Elections Published

92BA0256A Bucharest MONITORUL OFICIAL in Romanian 28 Nov 91 pp 1-11

["Text" of Law on Local Elections, passed in Bucharest on 26 November 1991]

[Text] The Romanian Parliament adopts the present law.

CHAPTER I

General Provisions

Article 1

Local councils and mayors are elected by universal, equal, direct, secret, and freely expressed vote. County councils are elected by indirect vote.

County and local councils are elected in electoral districts by votes cast for ballot lists.

Mayors of communes and towns are elected in electoral districts by votes cast for individual names on ballots.

Article 2

Romanian citizens, independently of nationality, race, language, religion, sex, political conviction or profession, exercise their voting rights in an equal manner.

Article 3

Romanian citizens who have reached the age of 18 are entitled to vote, including those who reach that age on election day.

Each voter is entitled to a single vote in local council and mayoral elections.

The right to vote is exercised only in the commune, town, or municipality in which the voter resides.

Article 4

Citizens who are entitled to vote and who have reached the age of 23 are qualified to be elected as council members or mayors.

Only persons who reside within the limits of the administrative-territorial unit to which they are to be elected can become candidates.

Article 5

The following are not eligible to vote:

a) Insane or mentally deficient persons placed in custody;

b) Persons whose electoral rights have been denied for a duration established by court order.

The following are not eligible to be elected:

a) Active duty military personnel, judges, or district attorneys;

b) Those who belong to the categories stipulated under subparagraphs a) and b) of the previous paragraph;

c) Those sentenced by final court order for abuses committed in political, judicial, or administrative functions, for violations of the fundamental rights of man, and for other intentional offenses, if they have not been rehabilitated;

d) Those who hold contracts with the respective administrations to execute projects, render services, or provide supplies, either directly or through middlemen.

Article 6

Candidacies for local and county councils and for mayor are filed by legally constituted political parties and organizations. Under the conditions of the present law, independent candidacies can also be filed.

Any one person can file a candidacy for a single local council and for a single mayor's office.

Article 7

Election dates are established by government decision at least 60 days before election day.

CHAPTER II

Organization of Elections for Local Councils and for Mayors

Section 1

Electoral Districts

Article 8

Each commune, town, and municipality constitutes an electoral district for the election of local councils and mayors.

Article 9

Electoral districts in each county and in the Bucharest municipality are numbered by police commissioners within five days from the establishment of election dates.

Article 10

Electoral districts for the election of local councils and mayors are brought to the attention of the population by local councils within 10 days from the establishment of election dates.

Section 2

Voting Sections

Article 11

Voting sections are organized in localities, as follows:

a) In localities with populations of more than 2,000 inhabitants, one voting section for each 1,000-2,000 inhabitants;

b) In communes with populations of less than 2,000 inhabitants, one single voting section.

Voting sections can also be organized in villages or groups of villages with populations of up to 1,000 inhabitants, located at a distance greater than 5 km from the voting section of the commune's location.

Voting sections for active duty military personnel will be organized at military units if they have at least 50 voters.

Article 12

Voters cast ballots in the same voting sections for local councils and for mayors.

Article 13

Voting sections are defined and numbered by city and commune councils within 20 days after the establishment of election dates.

Mayors bring to the attention of the voters the definition and numbering of voting sections within the deadline stipulated in paragraph 1, indicating at the same time the location of the voting sections.

Section 3

Voter Lists

Article 14

Voter lists include all citizens entitled to vote who reside in the locality in which elections are organized. Voter lists are compiled by mayors.

They are separately compiled for each voting section by commune and village, and in towns, municipalities, and sectors of the Bucharest Municipality, by street; and they will include in alphabetical order the voters' first and last name, age, and address, as well as the number of the electoral district of the voters.

Voter lists are signed by mayors and by secretaries.

Military personnel on active duty, who are entitled to vote, will be registered in special lists compiled by military units and signed by their commanders.

Article 15

A voter can be registered in only one voter list.

Article 16

Mayors will post voter lists in a public area and in a visible manner at least 30 days before the election date.

Posting locations, as well as the procedures for verifying the list registrations, will be brought to public attention by mayors through any means of publicity.

Voter lists will also be posted at each voting section for those who vote in that section.

Original copies of voter lists are kept at the courthouse that has jurisdiction over the area for which they have been compiled, and at military units for active duty military personnel.

Article 17

Citizens have the right to verify voter list registrations. Objections regarding omissions, incorrect registrations, or any errors, can be lodged with the mayors who have compiled the lists.

Mayors must resolve objections by official decision within three days of the date the objections are filed.

Decisions may be appealed within 24 hours of their communication. Appeals are resolved by the court in whose area the voting section is located within no more than three days. Court decisions are final and enforceable, and are communicated to interested parties within 24 hours from pronouncement.

Article 18

In cases where residences are changed to another locality after the voter lists are posted, mayors will issue voters a certificate for exercising the right to vote, indicating this in the voter lists.

At their new residences, on election day, voters will be registered into a separate voter list by the electoral office of the voting section, on the basis of the certificate stipulated in paragraph 1 and of a document certifying the change of residence.

Article 19

Mayors will communicate to each electoral commission in the district the number of voters belonging to the district at least 20 days before election day.

Two days before election day mayors will deliver a copy of voter lists to the electoral offices of voting sections.

Section 4

Electoral Commissions and Electoral Offices

Article 20

The following are formed to organize and conduct elections:

a) District electoral commissions;

b) Electoral offices of voting sections.

Article 21

District electoral commissions consist of seven members for communes, nine members for towns and municipalities, and 15 members for the Bucharest Municipality.

District electoral commissions for communes consist of two magistrates and five representatives of the parties and political organizations that participate in elections in the respective localities.

District electoral commissions of cities and municipalities consist of two magistrates and seven representatives of the parties and political organizations that participate in elections in the respective administrative-territorial units.

The district electoral commission of the Bucharest Municipality consists of four magistrates and 11 representatives of the parties and political organizations that participate in elections in the Bucharest Municipality.

Magistrates are designated by presidents of the county or Bucharest Municipality courts within five days from the establishment of election dates by drawing lots from the names registered in a list of all magistrates in the county or in the Bucharest Municipality.

If the number of magistrates is insufficient, police commissioners will complete the lists with the names of other jurists or persons with unsullied reputation and who do not belong to any party or political organization.

Presidents of county or Bucharest Municipality courts, will designate the presidents of district electoral commissions and their alternates.

Within two days after the list of candidacies is finalized, the presidents of district electoral commissions will complete the district electoral commissions with the names of representatives nominated by parties and political organizations. Nominations made beyond that time are not considered.

If several parties or political organizations have nominated the same number of candidates for the lists, their members are designated to commissions by the presidents of the commissions by drawing lots in the presence of representatives of the parties or political organizations involved.

In order to determine the parties and political organizations whose representatives will complete district electoral commissions, local bodies of party and political organizations will officially communicate to presidents of the county or Bucharest Municipality courts, within 24 hours from the time lists and candidates are finalized, the number of finalized filed candidacies for each local council and mayor's office.

If parties and political organizations do not nominate representatives, the presidents will complete district electoral commissions by drawing lots from lists advanced by mayors, to include the names of persons who do not belong to any parties or political organizations.

Article 22

District electoral commissions have the following functions:

a) Monitor the implementation of legal provisions for elections, in keeping with their jurisdictional authority;

b) Supervise the timely production and posting of voter lists, and the timely organization of voting sections;

c) Register lists of candidates and independent candidacies for local councils, as well as candidacies for mayor; document the finalization of candidacies;

d) Perform the necessary publication and posting of candidate lists and candidacies for mayor;

e) Within three days from the deadlines for submission of candidate lists and candidacies, transmit to police commissioners the electoral symbols of parties and political organizations so that they may be printed on ballots;

f) Receive the communication of number of voters registered on voter lists compiled my mayors; distribute ballots, validation stamps, and "voted" stamps, to electoral offices of voting sections;

g) Resolve objections about their own activities and challenges to the operation of electoral offices of voting sections;

h) Total election results for electoral districts, releasing to council members and mayors confirmation certificates for the election;

i) Transmit to local councils reports of results of council member elections, so that the elections may be validated; reports for mayors are sent to courthouses, and those for the general mayor to the Court of the Bucharest Municipality, so that the election may be validated;

j) Organize a second ballot as needed;

k) Through police commissioners, communicate election data and results to the Central Electoral Commission and the government, and publish election results in the local press;

l) Receive used and unchallenged ballots, canceled ballots, stamps, and other voting materials from electoral offices of voting sections, and deliver them to courthouses in whose jurisdiction they operate.

Article 23

Challenges to the formation of district electoral commissions can be made within five days from their formation and completion with representatives of parties and political organizations, and are resolved by courts within three days from filing.

Decisions are final.

Article 24

Electoral offices of voting sections consist of a president, an alternate, and seven to nine members.

The presidents and their alternates are usually jurists who do not belong to any parties and political organizations, designated by the presidents of county or Bucharest Municipality courts, by drawing lots from names registered in lists compiled by police commissioners or mayors.

If the number of jurists is insufficient, the lists will be completed with other persons who have an unsullied reputation and who do not belong to any parties and political organizations.

Presidents and their alternates are designated, and electoral offices of voting sections are completed with other members, no more than 15 days before election day.

Electoral offices of voting sections are completed with one representative of the parties and political organizations which participate in elections, in decreasing order of the number of nominated candidates.

Lists of representatives of parties and political organizations whose names are to be drawn for designation as members of electoral offices of voting sections, are submitted to presidents of district electoral commissions at least 20 days before elections.

The provisions of Article 21, paragraphs 9 and 11 are applied as required, with names to be drawn by presidents of electoral offices of voting sections.

Article 25

Electoral offices of voting sections have the following functions:

a) Receive voter lists compiled by mayors, as well as ballots, validation stamps, and "voted" stamps from district electoral commissions;

b) Carry out voting operations, and take all measures to maintain order at and around voting sections sites;

c) Count votes and document results for the electoral district covering their sections, both for local councils and for mayors;

d) Resolve objections regarding their own activities;

e) Forward to district electoral commissions reports with voting results, along with filed challenges;

f) Deliver to district electoral commissions, with documentation, used and unchallenged ballots, canceled ballots, stamps, and other voting materials.

Article 26

Challenges to the formation and composition of electoral offices of voting sections can be made within five days from their formation and are resolved by district electoral commissions within three days from filing. Decisions are final.

Article 27

District electoral commissions and electoral offices of voting sections can legally operate in the presence of one-half plus one of the number of their members, and adopt decisions with a majority of the members present.

Article 28

Election candidates, their spouses, relatives and kin up to second degree, as well as persons who are not entitled to vote, cannot be members of district electoral commissions and electoral offices of voting sections.

Section 5

Candidacies

Article 29

The number of council members for local councils is stipulated in the Law for Local Public Administration.

Article 30

Candidate nominations for local council members and mayors are made for electoral districts and are submitted to district electoral commissions no later than 30 days before elections.

Article 31

Candidate nominations are made in writing, in three copies, by parties and political organizations participating in elections, with the signature of their local management, or in the case of independent candidates, based on lists of their supporters. Independent candidates must submit a declaration certified by the state notary, testifying that the supporters' signatures are genuine, as well as a declaration accepting the candidacy.

Declarations accepting candidacies will be attached to lists containing candidate nominations.

Lists common to several parties and political organizations will be signed by their local managements.

Article 32

A person can only accept a nomination for a single electoral district.

Article 33

Each party and political organization can submit one candidate list only for local councils in each electoral district, and one single candidate for mayor.

Article 34

Independent candidates for council seats will have to be supported by a minimum of 1 percent of the total

number of voters registered in lists, divided by the number of council members that can be elected in the respective communes or cities, but no less than 50.

Independent candidates for mayor must be supported by a minimum of 1 percent of the total number of voters registered in lists for the district in which they are running, but no less than 150.

Article 35

District electoral commissions determine whether the conditions stipulated by law for the list of positions and candidates are fulfilled, and registers those that meet these conditions.

One copy of nomination lists and candidacies is kept by district electoral commissions; another is registered at the courthouses of the electoral districts, or at the Courthouse of the Bucharest Municipality; the third, certified by the district electoral commission, is returned to the person who submits it.

Article 36

Candidacies can be challenged by voters and by parties and political organizations within 10 days from the submission deadline.

Challenges for acceptance or rejection of candidacies are resolved in no more than three days from receipt by courthouses or by the Courthouse of the Bucharest Municipality. Decisions are final and enforceable, and are communicated to interested parties within 24 hours of pronouncement.

Article 37

A report signed by the members of district electoral commissions is completed when the deadline for candidacy submission has expired.

Candidacies are made public by district electoral commissions through the press and by posting at voting sections, specifying the first and last name, address, political affiliation, profession, and employment of candidates.

After the deadlines stipulated in Article 36 expire, candidacies are finalized, with district electoral commissions recording this fact in a report.

Section 6

Ballots

Article 38

Ballot forms are established by the government, and those for local councils differ from those for mayors.

Article 39

Ballots consist of one or more pages. The inside pages of ballots will contain a sufficient number of rectangles to include all candidacy lists and independent candidates, with the last page left blank to receive the validation stamp.

Rectangles will be printed parallel to each other, in two columns per page.

The upper left hand corner of the rectangles will display the name of the party, political organization, or coalition participating in the election, or as the case may be, "independent candidate" or "list of independent candidates."

The upper right hand corner of the rectangles will display the electoral symbols of parties and political organizations, or as the case may be, the electoral symbols of coalition parties.

The rectangles of each ballot will display lists of candidates identified by first and last names, in the order determined by the lots drawn by district electoral commissions. Each independent candidate will have a separate rectangle at the end of the ballot, in the order that his candidacy was registered.

For mayoral elections, ballot rectangles will display the first and last names of candidates in the order determined by the lots drawn by district electoral commissions. The provisions of paragraphs 2, 3, and 4 are applicable.

The size of the ballot is established by district electoral commissions, taking into consideration the number of rectangles as well as the space necessary to print the candidates' names and the other information stipulated in paragraphs 5 and 6.

The ballot paper will be white and sufficiently thick so that imprinted names and votes will not be visible from the reverse side.

Article 40

Electoral symbols are established by each party and political organization at least 10 days from the establishment of election dates. Party coalitions can also devise electoral symbols.

Parties and political organizations that have participated in previous elections retain their electoral symbols if they do not request modifications or changes.

Electoral symbols cannot be contrary to law or standards of decency.

Parties and political organizations will use the same electoral symbols in all electoral districts.

Parties and political organizations, as well as party coalitions communicate their electoral symbols to district electoral commissions within the deadline stipulated in paragraph 1.

When the same electoral symbol is requested by several parties and political organizations, or by several party

coalitions, the symbol will be assigned by lots drawn by the Central Electoral Commission within five days. The assignment requires that the other parties and political organizations or other party coalitions change their electoral symbol, and that they communicate it within five days to district electoral commissions.

District electoral commissions communicate electoral symbols to police commissioners within three days, so that they will be printed on ballots.

Article 41

Ballot printing is assured by district electoral commissions through the services of police commissioners.

Ballots will be printed with letters of the same size, the same font, and the same ink for an entire electoral district, in quantities equal to the number of registered voters, with a surplus of 10 percent.

Ballots will be printed no later than 10 days before elections.

Article 42

Presidents of district electoral commissions, together with two other members of the commissions, will receive ballots from mayors on the basis of written documentation. They are delivered to electoral offices of voting sections at least two days before elections. Receipt and delivery are based on written documentation.

Article 43

Local council sites and voter list posting centers, as well as voting sections, will display within five days one ballot of each category, after the ballot has been stamped and voided by the presidents of district electoral commissions.

Article 44

At the request of parties and political organizations or of independent candidates who participate in the elections, district electoral commissions will issue two stamped and voided ballots to each.

Section 7

Electoral Campaigns

Article 45

Electoral campaigns begin on the day on which election dates are made public and end two days before elections.

Article 46

In electoral campaigns, candidates, political organizations, and all social and citizen organizations have the right to express their opinions freely and without any discrimination, through meetings, gatherings, television, radio, the press, and other means of mass information.

The means used in electoral campaigns cannot violate the law.

Article 47

Within five days from the start of electoral campaigns, mayors must order the designation of special sites for electoral posting, taking into consideration the number of parties and political organizations that declare they will submit candidate lists, candidacies for mayor, as well as independent candidates. These sites will be located in areas frequented by citizens, without interfering with public traffic and other activities in their localities.

It is forbidden to use special electoral posting sites so as to prevent their use by a party, political organization, or independent candidate.

Article 48

It is forbidden to finance electoral campaigns with funds received from abroad or that have not been publicly declared.

CHAPTER III

Election Procedures

Article 49

Each voting section must have a sufficient number of voting booths, ballot boxes, and voting stamps, which are provided by mayors.

Booths and boxes must be located in the same space as the offices of presidents.

Presidents of electoral offices of voting sections must be present at voting section sites on the eve of elections at 1800 hours, and must immediately take the measures necessary to assure the proper order and correctness of voting procedures.

Presidents will assign guard positions around voting sites.

Article 50

On election day, at 0500 hours, presidents of electoral offices of voting sections, in the presence of the other members, will check ballot boxes, the availability of voter lists, ballots, and stamps, afater which they will close and seal the boxes, applying the validation stamps of voting sections.

Presidents must assure that validation stamps are applied on ballots.

Article 51

Presidents of electoral offices of voting sections must take the measures necessary for elections to proceed under good conditions.

In this regard, the powers of presidents also extend beyond voting sections to a distance of 500 meters.

Foreign and national observers, accredited for the purpose, can participate in the conduct of voting procedures.

Representatives of nongovernmental organizations whose sole purpose is the protection of the rights of man, and who are legally established, can be accredited as national observers.

The persons designated by these organizations cannot be members of a party or political organization.

Challenges to the accreditation of national observers can be filed with the Central Electoral Commission.

Except for members of electoral offices of voting sections, persons accredited according to law, as well as representatives of the Romanian and foreign media, no other person can remain in public locations of the voting area, or at the voting site longer than the time necessary for voting.

So as to maintain order, presidents of electoral offices of voting sections will have the use of necessary public order resources through the services of police commissioners.

Article 52

Voting takes place in one single day. It starts at 0600 hours and ends at 2100 hours. If it is determined that there remain voters who have not voted, presidents of electoral offices of voting sections, with the approval of district electoral commissions, can extend the voting hours until 2400 hours at the latest, when voting is declared to be closed.

Article 53

Voters will vote only at the voting sections at which they were registered in voter lists.

Voter access to voting areas is allowed in units that correspond to the number of booths. Each voter presents an identification card to the electoral offices of voting sections, which verify registration in voter lists and provide a ballot and voting stamp.

Voters will vote separately in closed booths, applying the "voted" stamp in the rectangle that includes the list of candidates or the name of the candidate for whom they are voting.

The "voted" stamp must be round and its dimensions must be smaller than the rectangle in which it is applied.

After voting, voters will fold the ballots so that the blank page that bears the validation stamp will be on the outside, and will place them into ballot boxes being careful not to unfold them.

Misfolding the ballot does not result in cancellation of the vote if the secrecy of the vote is respected.

In case the ballot opens by mistake, it is canceled and the voter will receive, only once, a new ballot, this fact being recorded in the report of voting operations.

The stamp used for voting is returned to the president.

Presidents can take measures so that voters will not remain in booths for unjustified lengths of time.

After voting, the identification card of each voter is imprinted with a "voted" stamp and with the date.

Article 54

Presidents, members of electoral offices of voting sections, as well as personnel responsible for maintaining order, will vote at the voting sections at which they fulfill their functions if they reside in the localities covered by the voting sections.

Active duty military personnel will vote for local councils and mayors in the localities of their military unit.

Article 55

Candidates and any other voters have the right to challenge the identity of persons arriving to vote. In these cases, presidents will establish identification by any possible means. If the challenges are well founded, presidents will prevent the challenged voters from voting, will record this fact, and will report the situation to police authorities.

Article 56

Presidents of electoral offices of voting sections can suspend voting for well-founded reasons.

Suspensions cannot exceed one hour and will be announced by a posting on the door of the voting site at least one hour ahead of time. The duration of all suspensions cannot exceed two hours.

During suspensions, ballot boxes, stamps, ballots, and all papers of electoral offices will remain under constant guard, and the members of offices will not be able to leave voting areas at the same time.

Those who on the basis of Article 51, paragraph 7 can witness the voting process, cannot be compelled to leave the voting area at that time.

Article 57

The presence in voting booths of any person other than the one who is voting is forbidden.

Voters who for sound reasons, verified by presidents of electoral offices of voting sections, cannot vote by themselves, have the right to select a companion to help them in the voting booth.

Article 58

At the request of voters who cannot be transported for reasons of illness or disability, or at the request of the management of health or social welfare institutions that care for them, presidents of electoral offices of voting sections designate members of the office to travel to the location of the voters with a special ballot box and necessary voting materials in order to allow them to vote.

In the cases stipulated in paragraph 1, voting will be based on name lists derived from voter lists, signed by presidents of electoral offices of voting sections.

Article 59 At 2100 hours or under the conditions stipulated in Article 52, at 2400 hours, the presidents of electoral offices of voting sections declare the voting to be closed.

CHAPTER IV

Determination and Documentation of Election Results

Section 1

Determination of Voting Results

Article 60

After the closing of the vote, the presidents of electoral offices of voting sections proceed to cancel unused ballots and to open ballot boxes in the presence of office members, and as the case may be, of persons who have the right to witness the voting.

At the opening of each ballot, presidents will read aloud the list of candidates, or the first and last name of independent candidates, or of the mayoral candidates for whom votes have been cast, and will show the ballot to those who are present.

Ballots that do not bear the validation stamp of voting sections, ballots of other types than legally approved ones, ballots that do not bear the "voted" stamp, or ballots on which the stamp is applied to several rectangles or outside the rectangles are void; these ballots are not counted as votes that have been cast.

Results will be entered into two separate tables, one for local councils and one for mayors; one copy will be kept by a member of the electoral office and another by the candidates who are present.

These tables will record the total number of voters, the number of canceled votes, lists of candidates, and as needed, the first and last name of independent candidates and of mayoral candidates, as well as the number of votes gathered by each.

Article 61

After opening the ballot boxes and counting the votes, the presidents of electoral offices of voting sections write one report each, in two copies, for the council being elected and for the mayor.

The reports will include:

a) The number of voters according to registered voter lists;

b) The number of voters who have reported to vote;

c) The total number of valid votes cast;

d) The number of canceled votes;

e) The number of votes obtained by each candidate list or independent candidate;

f) The number of votes obtained by each of the candidates for mayor;

g) A brief explanation of objections and challenges, of their resolution, and of challenges forwarded to district electoral commissions.

The reports will be signed by presidents and members of electoral offices of voting sections, and will bear their stamp.

The absence of signatures of office members does not affect the validity of the reports. The presidents will indicate the reasons that have prevented the signing.

Article 62

Objections and challenges regarding voting and ballot box opening can be made during these operations.

Challenges are formulated in writing and presented to presidents of electoral offices of voting sections, who will issue receipts.

Presidents of electoral offices of voting sections will immediately resolve challenges whose solution cannot bear delay.

Article 63

A file will be opened for each local council and each mayor, to include reports and challenges regarding the section's electoral operations, as well as cancelled and challenged ballots. The sealed and stamped files will be forwarded under military guard to district electoral commissions by the presidents and members of electoral offices of voting sections, within no more than 24 hours from the closing of the vote.

Section 2

Documentation of Voting Results

Article 64

After receiving reports of the results of vote counting from all electoral offices of voting sections, and after resolving filed objections and challenges, district electoral commissions proceed to total the cast votes and to apportion mandates under the conditions of the present law.

To this end, district electoral commissions separately record the number of votes obtained for the entire district by each candidate list or independent candidate.

Similarly, the number of votes obtained will be added up for each candidate for mayor.

The work of district electoral commissions can be witnessed by persons who have the right to be present at voting sites during elections.

Article 65

If less than one-half plus one of all the voters registered in the voter lists of an electoral district have voted, district electoral commissions indicate this in their reports, so that new elections can be organized.

The new elections legally take place two weeks from the date of the preceding elections, under the same conditions, using the same lists of candidates and candidacies, as well as the same voter lists.

The elections are considered valid independently of the number of voters participating in the vote.

Article 66

Council member mandates are apportioned as follows:

a) In the first stage, the number of mandates due to each candidate list and to independent candidates is established by district electoral commissions as a function of electoral coefficients, determined by dividing the total number of votes validly cast for all lists and independent candidates, by the total number of council members in the respective districts; district electoral commissions will apportion to each list as many mandates as the number of times the electoral coefficient goes into the total number of votes cast for the respective lists; mandates for each list are apportioned in the order in which candidates are entered in the list, and start with the candidate list that received the highest number of votes; similarly, independent candidates who have received a number of votes at least equal to the electoral coefficient, are declared to be elected.

Votes left over after mandates have been apportioned, as well as those whose number is lower than the electoral coefficient, are considered as unused for each list of party and political organization candidates or of independent candidates;

b) In the second stage, district electoral commissions will record the number of unused votes for each party, political organization, party coalition, or independent candidate; unapportioned mandates will be distributed to parties and political organizations, party coalitions, or independent candidates in decreasing order of the number of unused votes, one each for each party, political organization, party coalition, or independent candidate, until they are all used up.

Candidates registered on lists, who have not been elected after these steps have been taken, are declared alternates for the respective lists.

Article 67

Voting results for mayors are collected by district electoral commissions. Candidates who have gathered at least one-half plus one of the votes from voters participating in the election are declared mayors.

When none of the candidates has received such a majority, another round of voting is organized between the candidates in the first two positions, within no more than two weeks.

The candidate obtaining the largest number of votes is declared elected.

Article 68

When at least two candidates for mayor have the same number of votes, a second ballot is required and new elections are rightfully organized within two weeks. Only those candidates eligible for a second ballot participate in this election.

Article 69

District electoral commissions complete a report regarding all electoral operations, vote collection, and documentation of election results for the local councils involved in the elections, and for mayors.

The reports will include:

a) The number of voters in the electoral district according to voter lists;

b) The total number of votes cast;

c) The total number of votes obtained by each candidate list or by each independent candidate;

d) The number of votes obtained by each candidate for mayor;

e) The number of canceled votes;

f) The first and last name of the candidates elected to each local council and their parties and political organizations, or their identification as independent candidates;

g) The first and last name of elected mayors and their parties and political organizations, or their identification as independent candidates;

h) A brief explanation of objections, challenges, and final decisions taken by district electoral commissions.

Reports are signed by presidents and other members of district electoral commissions, and bear their stamps.

Local council reports together with the objections, challenges, and reports received from electoral offices of voting sections, form a closed file, signed and sealed by members of district electoral commissions, and are forwarded to local councils for election validation.

Files compiled in accordance with paragraph 2 for mayors are forwarded under military guard, and within no more than 48 hours, to the courthouses with jurisdiction over the localities to which the mayors have been elected.

District electoral commissions issue certifications confirming the election of local council members and mayors.

One copy each of the reports is sent within 24 hours to county or Bucharest Municipality courts, which forward them to the Central Electoral Commission.

CHAPTER V

Election of County Councils

Article 70

Each county constitutes an electoral district for the election of county councils.

Article 71

County council members are elected by indirect vote by an electoral body within 30 days from the formation of local councils in counties.

The electoral body is composed of all the members of legally formed local councils in the respective counties.

Article 72

Within three days from the formation of all local councils in a county, a county district electoral commission is formed to organize and conduct elections.

The commission stipulated in paragraph 1 consists of the president of the county court as commission president, three judges, and 11 representatives of the parties and political organizations that participate in the election, designated under the conditions of Article 21, paragraph 8 of the present law.

Article 73

County district electoral commissions have the following functions:

a) Establish the date and site of elections; compile voter lists and convene electoral bodies in elections;

b) Receive, verify the legality of, and record candidate lists submitted by parties and political organizations by party coalitions and by independent candidates;

c) Make public the recorded candidacies, resolve possible challenges, and note their final status;

d) Establish the order in which candidate lists are entered on ballots;

e) Take steps to print ballots;

f) Assure the conditions necessary to exercise voting rights;

g) Distribute ballots to voters;

h) Assure that order is maintained at voting sites and supervise voting procedures;

i) Proceed to count votes and establish voting results;

j) Bring voting results to the attention of electoral bodies and citizens.

County electoral commissions can validly operate in the presence of one-half plus one of the total number of members, and make decisions with a majority of the members present.

Article 74

The number of council members for county councils is stipulated in the Law for Local Public Administration.

Article 75

Every party, political organization, or party coalition that has obtained positions on local councils in the county, can submit a list of candidates for county councils. Independent council members can also be candidates.

Candidate lists are submitted to county district electoral commissions within 10 days from the formation of the last local council in the county.

The provisions of Articles 32, 33, and 35 apply accordingly.

Candidacies can be challenged by parties and political organizations, by party coalitions which have presented candidate lists, by independent candidates, as well as by voters, within five days after the submission deadline.

Challenges regarding the acceptance or rejection of candidates are resolved within three days by county courts. Decisions are final and enforceable and are communicated to interested parties within 24 hours from pronouncement.

Article 76

After the deadlines stipulated in Article 75, candidacies are finalized and district electoral commissions record them in a report.

Article 77

Ballot forms are established by the government, and ballots are printed in accordance with the provisions of Articles 39 and 40, and of Article 41, paragraph 2 of the present law.

Candidate lists are entered on ballots in decreasing order of percentages obtained for each party or political organization in local elections throughout the county, as a ratio between number of votes cast for its candidates and the total number of valid votes that have been cast.

Independent candidates are entered in the final portion of ballots, in the order of candidacy registration.

Article 78

Ballots are printed at least five days before elections and are collected with documentation from police commissioners by presidents of district electoral commissions.

Article 79

A ballot that has been stamped and voided by presidents of county district electoral commissions is posted at local councils and at voting sites.

Article 80

The right to vote is exercised by voters at the county seat on the days and at locations established by county district electoral commissions.

Buildings in which the voting is to take place are prepared through the services of police commissioners so as to assure direct and secret vote.

Voting takes place in one single day; it starts at 0800 hours and ends at 2000 hours.

The provisions of Article 51 of the present law apply accordingly.

Article 81

Voters receive one ballot each from presidents of district electoral commissions at voting sites, after being identified in voter lists on the basis of identification cards.

Voters cast their vote by stamping "voted" in the rectangle corresponding to the party, political organization, party coalition, or independent candidate of their choice.

After this operation, voters will fold their ballots so that the blank page that bears the validation stamp is on the outside, and then place them into ballot boxes.

Misfolding the ballot does not result in cancellation of the vote if the secrecy of the vote is respected.

Article 82

Candidates and any other voters have the right to challenge the identity of persons arriving to vote. In these cases, presidents will establish identification by any possible means. If the challenges are well founded, presidents will prevent the challenged voters from voting and will report the situation to police authorities.

Article 83

After voting has ended, the presidents of district electoral offices declare the election closed, and proceed to cancel unused ballots and to open ballot boxes in the presence of members of commissions, and as the case may be, of persons who have the right to witness the voting.

Afterwards, the presidents of district electoral commissions proceed to determine and document voting results; the provisions of Article 60, paragraphs 2, 3, 4, and 5 apply accordingly.

Article 84

Elections are considered valid if at least two-thirds of the total number of voters have voted.

If the majority stipulated in the previous paragraph has not been met, district electoral commissions note this situation in a report and organize another election within 10 days under the same conditions. On second ballots, elections are considered valid if one-half plus one of the total number of voters participate.

Article 85

If elections are considered valid, district electoral commissions proceed to apportion mandates in accordance with the provisions of Article 66, which applies accordingly.

Article 86

District electoral commissions write a report in three copies regarding voting operations, determination of voting results, and allocation of mandates, to include:

a) The number of voters in accordance with voter lists;

b) The number of voters reporting to vote;

c) The total number of votes cast;

d) The number of canceled votes;

e) The number of votes obtained by each candidate list and each independent candidate;

f) The first and last name of candidates declared to be elected, as well as the party or political organization that has submitted their names;

g) The first and last name of independent candidates declared to be elected;

h) A short explanation of possible challenges and final decisions taken by district electoral commissions.

Reports are signed by presidents and other members of the commissions and will bear their stamps.

Copies of the reports, certified by presidents and bearing the stamp of district electoral commissions, will be handed on demand to each member of the commissions.

One copy of the reports is forwarded to county councils to validate the mandates of elected council members.

Article 87

The original copies of the reports, together with one copy, challenges to voting operations and documentation of voting results, as well as decisions issued and other documents, form files that are sealed and signed by commission presidents and are forwarded to county courts. Returned with the files are used and unused ballots, validation stamps, as well as the other stamps necessary for voting.

County courts will forward a copy of the reports to the Central Electoral Commission in accordance with the last paragraph of Article 69.

Article 88

District electoral commissions issue certificates validating the election of council members.

CHAPTER VI

Infractions and Offenses

Article 89

The following acts constitute infractions to the extent to which they are not offenses as defined by law:

a) Deliberate registration of one person in more than one voter list, voter list registration of fictitious persons or persons who are not entitled to vote, as well as violations of provisions regarding the posting of voter lists; refusal to receive, register, and resolve objections about omissions and improper registrations in voter lists;

b) Failure on the part of organizers to take the measures necessary for normal conduct of electoral meetings, as well as distribution and consumption of alcoholic beverages during these meetings;

c) Destruction, deterioration, soiling, defacement in writing or in any other way of voter lists, of posted platform-programs, or of any other posters or printed electoral publicity or announcements;

d) Posting of electoral publicity in other locations than those allowed by the provisions of the present law;

e) Acceptance by a person to be registered in more than one candidate list;

f) Failure on the part of district electoral commission members to bring candidate nominations to the attention of the public;

g) Refusal to allow access to voting sites to persons stipulated in Article 51, paragraph 7;

h) Refusal to abide by instructions of presidents of electoral offices of voting sections regarding order at voting sites and surroundings, in accordance with the provisions of Article 51, paragraph 2;

i) Unjustified refusal to give ballots and voting stamps to voters registered in lists, and who present identification cards, as well as to give ballots to voters who do not present these cards;

j) Documentation from electoral offices of voting sections that violates the provisions of Article 61;

k) Departure of members of electoral offices of voting sections from voting sites before establishing voting results and signing reports;

l) Continued electoral publicity after the electoral campaign is closed in accordance to the provisions of Article 45, as well as advising voters on election day at voting sites or in locations stipulated in Article 51, paragraph 2, to vote or not vote for certain parties and political organizations, party coalitions, or candidates.

Article 90

The infractions stipulated in Article 89, subparagraphs c), d), and g) are penalized by fines of 2,000 to 5,000 lei; those stipulated in subparagraphs e), f), j), k), and l) by fines of 5,000 to 15,000 lei; and those stipulated in subparagraphs a), b), h), and i) with imprisonment of one to six months, or with fines of 15,000 to 30,000 lei.

Article 91

The infractions stipulated in Article 89 are documented with reports prepared by:

a) Police officers and noncommissioned officers for the acts stipulated in subparagraphs a), b), c), d), f), g), h), i), and l);

b) Mayors and their deputies for the acts stipulated in subparagraphs d) and f);

c) Presidents of district electoral commissions for the acts stipulated in subparagraphs e), j), and k).

For the infractions stipulated in subparagraphs c), d), e), f), g), j), k), and l), the persons documenting the act will also impose the fines.

The infractions stipulated in Article 89 are also subject to the provisions of Law No. 32/1968 on Establishment and Penalization of Infractions.

Reports of the infractions stipulated in subparagraphs a), b), h), and i), will be forwarded to courts with jurisdiction over the area in which the infractions were committed, which will impose sentences.

Article 92

Prevention by any means, of the free exercise of the right to vote or be elected, is penalized with imprisonment of six months to five years and with the denial of certain rights.

If the acts stipulated in paragraph 1 cause bodily harm or health injuries whose recovery requires care for more than 60 days, or which result in one of the following: loss or dysfunction of a sense or organ, permanent physical or psychological disability, disfigurement, miscarriage, or life endangerment, the penalties are imprisonment of three to 10 years.

Attempts are penalized.

Article 93

Violations of vote secrecy by any means, on the part of members of electoral offices of voting sections or on the part of any other persons, are penalized by imprisonment of six months to three years.

Attempts are penalized.

Article 94

Promises, offers, or gifts of money or any other goods in order to encourage voters to vote or not vote for a certain candidate, or receipt of the above by voters for the same purpose, or exercises of the vote that violate the provisions of Article 8, paragraph 2, are penalized with imprisonment of six months to five years.

Article 95

Printing and using false ballots, placing into ballot boxes ballots in addition to the ones filled in by voters, or falsification of electoral commission or office documents by any means, are penalized with imprisonment of two to seven years.

Attempts are penalized.

Article 96

Attack of voting sites by any means, or theft of ballot boxes or electoral documents, are penalized by imprisonment of two to seven years unless the act constitutes a more serious offense.

Attempts are penalized.

Article 97

Opening of ballot boxes before the hour established for the closing the vote, are penalized with imprisonment of one to five years.

Attempts are penalized.

Article 98

The penalty limits for offenses stipulated in the Penal Code or in special penal laws, with the exception of those stipulated by Articles 92-97, committed in connection with election procedures in accordance with Chapter III of the present law, are increased by one-half of the special maximum.

Article 99

Penal actions are automatically initiated for all offenses committed in connection with the election of council members and mayors.

CHAPTER VII

Final Provisions

Article 100

In order to assure that the provisions of the present law are respected and implemented, a Central Electoral Commission is formed, composed of seven judges of the Supreme Justice Court, designated by the court president via name drawing.

The Central Electoral Commission is formed within five days from the establishment of election dates.

The Commission receives and resolves objections to the organization and conduct of local elections other than those which the present law places under the jurisdiction of district electoral commissions and courthouses. Similarly, it resolves objections about electoral fraud and those regarding violations of Article 48 of the present law.

The Central Electoral Commission accredits foreign and national observers, delegates of the Romanian and foreign media, collects local election data, and publicizes it through the press and in MONITORUL OFICIAL AL ROMANIEI.

In exercising its functions, the Central Electoral Commission issues decisions with a majority vote of its members.

In cases of electoral fraud determinations, the Central Electoral Commission orders the cancellation of election results and the organization of new elections within no more than two weeks.

When the Central Electoral Commission finds that the provisions of Article 48 have been violated, it orders the cancellation of the votes and mandates apportioned to the parties and political organizations, or to the independent candidates involved, and the restoration of election results under the conditions of Article 66 of the present law.

Article 101

Costs for the organization and conduct of elections are supported from local budgets. The expenses of the Central Electoral Commission are supported by the government.

Article 102

Documents filed in the exercise of voting rights, as stipulated in the present law, are exempt of stamp tax.

Article 103

Local and county councils will support the activities of electoral commissions and offices with the necessary auxiliary technical personnel during the time they are in operation.

During the same period, members of electoral commissions and offices, statisticians, auxiliary technical personnel, and contracted workers, are considered on detached duty.

Article 104

Court judgements of objections, challenges, and any other requests stipulated by the present law, follow the rules established by law for presidential orders, with compulsory participation of district attorneys.

Article 105

In the sense of the present law, legally formed organizations of national minorities are considered similar to parties and political organizations.

Article 106

Within three days from the establishment of election dates, the government will define ballot forms. Similarly, at least 20 days before election day it will define certification and voting stamps, reports of voting results, and certificates for validating the election of council members and mayors.

Article 107

Until the administrative-territorial organization of the country and of the capital and its subdivisions is established by law, the provisions of the present law referring to the election of local councils and mayors equally apply to the Bucharest Municipality and its sectors, each of which constitutes an electoral district.

The provisions of Chapter V of the present law also apply to the election of the Ilfov Agricultural Sector Council.

Article 108

In elections that take place before the formation of local and county councils, the functions and tasks stipulated in the present law for local councils and mayors are exercised by mayors, and those stipulated for county councils, by police commissioners. In the Bucharest Municipality, the tasks stipulated in the present law for police commissioners are exercised by the mayor's office.

This law was adopted by the Senate at its session of 22 November 1991.

President of the Senate
Academy Member Alexandru Birladeanu

This law was adopted by the Chamber of Deputies at its session of 22 November 1991.

President of the Chamber of Deputies
Martian Dan

On the basis of Article 82, subparagraph m) of Decree-Law No. 92/1990 for the Election of Parliament and of the President of Romania, we proclaim the Law on Local Elections and order its publication in MONITORUL OFICIAL AL ROMANIEI.

President of Romania
Ion Iliescu

Bucharest, 26 November 1991

No. 70

Interrepublic

Croatian Payment Delays to Slovenia Criticized

92BA0433D Ljubljana DELO in Slovene
23 Jan 92 p 4

[Article by Tonja Slokar: "Slovene Enterprises Have 670 Million Dinars Frozen at the Public Auditing Service"]

[Text] Croatian or other Yugoslav customers sent this money to our enterprises just before 7 October or immediately after it; everything indicates that the Croats have tricked the Slovene Finance Ministry; payment transactions are not proceeding.

Ljubljana, 22 Jan—Although an agreement on payment transactions between Croatia and Slovenia was already signed two and a half months ago (we later signed a similar one with Bosnia-Hercegovina), and although representatives of the Slovene government are still meeting regularly with their Croatian colleagues at Otocec and elsewhere, payment transactions are not proceeding at all. Even more crucial for some Slovene enterprises, especially the smaller ones, is the fact that more than 670 million dinars, which had been sent to our enterprises by Croatian or other Yugoslav customers just before 7 October or immediately after it, has been frozen at the republic SDK [Public Auditing Service] since Slovenia's independence and since the introduction of its own money.

Because of government officials' promises that everything would be fine after the signing of agreements with the republics of the former Yugoslavia and the opening of nonresidential accounts in those republics, the problem of the enormous amount of frozen dinars probably would not even have come to light for some time if we had not been warned about it by a small private enterprise for which the 7.5 million dinars frozen for three months now means an imminent funeral. It all started at the Ljubljana private enterprise Mate-Impex on 9 or 10 October 1991, when it received a notification from the Slovene SDK that it had been sent almost 8 million dinars from Croatia and Bosnia-Hercegovina for goods that were on the way to them. Of course, at that time the SDK and the Bank of Slovenia no longer wanted to exchange those dinars for dollars for them at any exchange rate, saying that their payers had missed 7 October, when it was still possible to exchange dinars for tolars at a 1:1 ratio. This would have been swallowed up by the BS [Bank of Slovenia], which claimed that in this way it wanted to prevent various dinar frauds, especially after the attempted Croatian incursion into our monetary system, if this private firm had not received confirmation from its customers that they had already sent the dinars before 7 October, and by telephone, which means that those dinars should have been recorded at our SDK on the very same day. Mate-Impex claims that even today it still does not know what happened on those two or three days with the dinars that had been wired, and where they were held up, since on the notification that it received from the SDK, the statement that the money had been sent by telephone was crossed out.

Pilgrimage From Pontius to Pilate

Then began their struggle for the release of these dinars, which, after the incursion of dinars from Croatia, were blocked at the SDK. The SDK consoled them by saying that they should wait a little, and that payment transactions would be freed up by the signing of an agreement with Croatia. When the agreement was finally signed, there was no provision in it that would regulate the use of this money. The SDK referred them to the Ministry of Finance, where the Deputy Finance Minister, Janez Debeljak, to be sure, promised to help them, but at the same time assured them that it was not their fault that the dinars had been blocked, but rather the fault of Croatia and Bosnia-Hercegovina, because the latter did not want to accept the transferred dinars back, even though they were also supposed to negotiate with them about it. Obviously, not even the letters that the private enterprise sent to Prime Minister Peterle and Finance Minister Dusan Sesok helped; the dinars lost their value. The Mate-Impex export-import enterprise calculates that in the three months it lost 1.5 million tolars, and customers in the other republics, which are now demanding interest and their money back, or else the goods ordered, which were never shipped because of the payment complications. During those three months, it therefore has not even been doing business with other republics, and its fate is uncertain. It is primarily blaming the Slovene Finance Ministry for this, because, in its opinion, the Ministry was not capable of negotiating on equal terms with the Croats. Everything indicates, they say, that the Croats tricked them, since the Ministry of Finance swore to them two weeks ago that Croatia would take back all the blocked dinars. Now there are neither dinars nor transactions from the south, since payment transactions are also not taking place through commercial banks.

Blocked Dinars Throughout All of Slovenia

Romana Logar, deputy director of the Slovene SDK, says that the case of Mate-Impex is not an isolated one in Slovenia, that almost the entire Slovene economy has blocked dinars, and that more than 670 million dinars remained frozen in Slovenia at the SDK after 7 October. In her opinion, this is primarily because of disagreement between the government, i.e., the Ministry of Finance, and the Bank of Slovenia. In her opinion, the Croatian side was much stronger in the negotiations than ours, and the BS is avoiding the exchange of dinars for tolars, because that would mean printing more tolars. The amount is nevertheless not so high, she thinks, that it could not be cleared up through a one-time exchange, without any major consequences.

This is particularly true, Logar says, because just yesterday the Ljubljana Bank decided that because of the shortage of Yugoslav dinars that occurred after the severing of ties with its branch in Zagreb, with the

assistance of the SDK it would buy 320 million of the frozen dinars at an exchange rate of 100 dinars for 80 tolars. Of course, this is only a partial solution of the problem, also because the Ljubljana Bank is giving priority in the purchase of dinars to its own depositors. Since Mate-Impex is not a Ljubljana Bank depositor, that means that it will not be given priority again.

In response to a question about why it took so long for the money from Bosnia-Hercegovina and Croatia to reach Slovenia, in the case of Mate-Impex, Logarjeva explained that the SDK had written proof that it had warned the Ministry of Finance about how long it was taking money from the south to arrive because of the war in Croatia. It is why almost all telephone communications between Slovenia and Bosnia-Hercegovina have been severed, which means that the dinars in question had to travel around through other channels and consequently did not reach Slovenia in time. Nevertheless, in spite of the objective explanation for the delay and clear confirmation of when the money was really sent, the people at the Bank of Slovenia remained firm.

Delays in Payments From the South

Logarjeva doubts that Croatia would take back the dinars from Slovenia now, especially since it has introduced its own dinars. Also, this can no longer be done through nonresidential accounts. To be sure, the SDK proposed this to Croatia at the very beginning, but since the Croats were stronger in the negotiations, this was finally rejected by the National Bank of Croatia. Either because of Croatian provocation, or because of the inability of its commercial banks, payment transactions are not taking place through nonresidential accounts either from Croatia or Bosnia-Hercegovina. Some enterprises, such as JUB in Dol, Paloma, and others are complaining that payments are even taking a month to reach Slovenia. The SDK is therefore proposing that at least payments to and from Bosnia-Hercegovina should go through it, since the payment agreement between Slovenia and Bosnia-Hercegovina also allows this as one of the possibilities.

The Croats Did Not Abide by the Agreement

Since all of the interlocutors blamed the poor financial dealings with the former Yugoslav republics primarily on the Finance Ministry, we asked Minister Dusan Sesok how much truth there was in this. He admitted that before the signing of the agreement and several more times after it, they had negotiated with the Croats and agreed, in writing, that the frozen dinars would be transferred to the nonresidential accounts of individual enterprises in Croatia, but the Croats did not abide by this. That is why we are no longer counting on the Croats, but only on ourselves. "We proposed to the Bank of Slovenia," Sesok said, "that it should first of all reach a dinar agreement with the Slovene enterprises, that is, it should 'smooth out' the dinar pluses and minuses, and the remaining 265 million dinars, of which 158 million dinars would remain for business between Slovene and Croatian enterprises, should be exchanged by the BS for tolars. We also already talked with the BS about this yesterday, and it was clear to everyone," Sesok stated, "that this means a new issue of tolars, but we in the Ministry calculate that this is the only way to reassure people in the economy. The question is whether we will exchange the dinars at a ratio of 1:1, 1:0.8, or even less, but I am convinced that the economy would even be satisfied with a rate of 1:0.5, as long as it gets its money." In response to a question about when an agreement on the exchange could be reached with the BS, Sesok said that the negotiations should start at the beginning of next week or at least by the middle of it, but in all likelihood a solution could not be achieved that soon.

[Box, p 4]

Is the Government Negotiating Poorly With the Croats?

Romana Logar said that 110 Slovene enterprises had more than a million dinars apiece frozen at the SDK. Kranjska Sava has the most under the ice, 20 million, followed by Iskra Tel, 18 million, etc.—i.e., all the Slovene enterprises that did business with the republics of the former Yugoslavia. Kranjska Sava said that yesterday the Ljubljana Bank bought 11 million dinars from it. They are also convinced that our government was too ill-equipped for the negotiations with the Croats, and that the latter adroitly tricked us. They say that this is perhaps also because they are blaming many Slovene enterprises which owe a great deal to Croatian enterprises and are deliberately holding back the settlement of the debts, because of the high rate of inflation, with the help of friends in the Ministry of Finance. In their opinion, the Slovene government should agree on a mandatory arrangement to deal with such speculators.

JUB, in Dol, added to this that the Croats obviously also harassed us by returning to us, after independence, the dinars that had already been held by their customers in Croatia earlier. They say that only those resourceful firms that had already sought customers outside of Slovenia at the right time with the dinars were able to cope. They consequently see the only solution for this confusion in surrendering the dinars, i.e., that enterprises should seek their own payment channels, and that payments should no longer go through the commercial banks.

Croatian-Slovene Relations 'Cooling'

92BA0445A Zagreb VJESNIK in Serbo-Croatian 28 Jan 92 p 5

[Article by Vlado Rajic: "Have Croatian-Slovene Relations 'Cooled Off Emotionally'? How Far Apart Are Zagreb and Ljubljana?"]

[Text] To the extent that it is accurate to say that Croatia and Slovenia have never been, and are not today, in a "marriage of love," conflicts of interest are logical, but it must be kept in mind that the very way in which they communicate between themselves will provide other

states in the world with an indication of what they can expect from the two new states if they decide to deal with them.

The other day, a comment appeared suddenly in Ljubljana's DELO to the effect that Croats, and not Slovenes, continue to attend meetings of the Central Committee of the LCY [League of Communists of Yugoslavia]. It is a good joke, especially since it is founded on a Croatian idiom about so-called Croatian silence.

However, this has ceased to be a joking matter ever since the statement by Slovene Minister of Foreign Affairs Dr. Dimitrij Rupel about how Croatian-Slovene relations are "complicated and difficult." Nor is DELO commentator Boris Jez very funny when he states that relations between the two neighboring states are "cooling off emotionally." But the fact that all this is ordinary cellophane covering over much more serious issues is borne out by the conclusion by SLOBODNA DALMACIJA columnist Jako Koprivac, who in his article directly calls on Tudjman and Kucan to immediately sit down and discuss Croatian-Slovene relations.

Age-Old Story

The story begins long ago, back in the communist days, and even long before then. It would be easy to contend that Slovene-Serbian relations have usually been better than Slovene-Croatian or certainly Croatian-Serbian relations. It is hard to say how much of this is due to a feeling of historic indebtedness to Serbia, whose citizens protected exile Slovenes from fascism in their own homeland, and this is in fact unimportant to the current situation. Because both in republican and intra-Yugoslav communication and in mutual communication between the present-day states, Slovenia and Croatia have had contacts that are far removed from official policy. It is a fact that in certain areas the inhabitants on both sides of the border spoke a mixed Croatian and Slovene language, that they have cooperated economically in terms of the economic resources in these regions and with regard to the momentary offerings of local trade, far removed from state control and influence. Now that border crossings are being strictly defined, a journalistic investigation has managed to uncover four points at which there are no police or customs forces, and which citizens of the two states are using to avoid control by the just-appointed customs officials.

Besides contacts on this improvised and purely civil level, the two states have established official contacts as well. It has been difficult to figure out what has happened at the halfway point, in Otocec ob Krka, in this regard, because both delegations (regardless of what the subject of the talks in question was) have generally revealed, through well-measured statements at press conferences, exactly as much as would be of use to them with respect to their common enemy—the federal administration. But matters have very quickly moved in a direction contrary to the content of the amiable and deceptive information given out to their own public.

Twin Economies

The first blow to "stabile relations" took place when Croatian enterprises were willing to pay off outstanding debts to Slovene enterprises. This involved millions of dinars, which even then were worthless to Slovenes. Because the republic was set in motion by the move to establish a separate currency, and the assiduousness of debtors on the other side of the Sutla was deemed a Croatian attempt to dump on Ljubljana some of the currency with which Zagreb did not know what to do. Before that, there was the serious "Elan" affair, which obviously smelled like a state scandal and seriously affected several important Croatian collectives and banks. And even before that, many Croatian citizens were left without any protection whatsoever against Sandi Grubelic and his automotive brokerage deals.

In fact, all these conflicts were direct proof that the Croatian and Slovene economies resemble one another in terms of structure and structural weaknesses, that they have both lost markets amidst the major changes, and that, narrowed down by the mounting crisis, they have tried, deliberately or not, to encircle one another. If one adds to this the tense political situation, it is clear that there simply cannot be any "great love." The war in Slovenia sharpened the republic against Croatia, with the allegation that the Croats were "cowardly" and that the strongest attacks were launched from Croatian territory. Then there was the withdrawal of the army from Slovenia and the onset of the war in Croatia, so that the preconditions were in place for retaliation "in kind" against "the people below Triglav." In the meantime, President Kucan stared at the ceiling during meetings of the six republican presidents, because nothing there concerned him. The Slovenes were the first to pull their representatives out of federal bodies, leaving the Croatian delegates all alone in the face of the murderous Milosevic machinery.

Uncertain Alliance

From these episodes, which are worth remembering, it is easy to arrive at an understanding of the uncertain nature of the Croatian-Slovene alliance. The closing of the federal meeting places also meant the end of the last forum where the interests of Slovenia and Croatia existed simultaneously and jointly. And what one side really thinks about the other was seen after the federal corpus faded away. In fact, the federation made Slovenia and Croatia into allies more than actual and real relations did: from Suvar's syntagma about the "black and yellow dream in the northwest" to Tupurkovski's phrase about the "unprincipled coalition" as a grand finale and Mikulic's theory about the dangerous six-versus-two voting in the Yugoslav Assembly, where the two were Slovenia and Croatia. Nor were the two republics that way when they jointly decided on and built the Krsko nuclear power plant, nor when Ljubljana Bank appeared as a commercial institution on Croatian territory. Today, the Slovenes are ready to close the nuclear plant through a unilateral referendum, while customers of

Ljubljana Bank have been left high and dry by similar unilateral decisions made in Ljubljana.

Always the Other One's Fault

If it is accurate to say that Croatia and Slovenia have never been, and are not today, in a "marriage of love," then conflicts of interest are logical.

These conflicts demonstrate the distinctive traits of the two new states and the level of bilateral deals that each is willing to discuss and negotiate with the other. On the other hand, when they insist that "the other side" is to blame, the new administrations seek for themselves the very privileges that they are not willing to grant others, and thus not their partner in this duel. For now, it appears that they do not realize that the very way in which they communicate between themselves will provide other states in the world with an indication of what they can expect from the two new states if they decide to deal with either of the two new states. Second, the contest surrounding the question of who helped whom more in the struggle for international recognition, and especially in pulling free from federal restraints, is a child's game that, if it continues on the political scene, will cause both parties, according to the logic of the game, to call in a third party to pass judgment. Finally, since Belgrade has left the game—to the relief of both Croatia and Slovenia—and thus has ceased to serve as a real culprit or sometimes as an alibi, is it not possible that people will begin to look for alibis for some of their own mistakes and shallowness on the other side of the Sutla?!

Tupurkovski on Serbian-Macedonian Relations

92BA0417A Belgrade NIN in Serbo-Croatian 17 Jan 92 pp 15-17

[Interview with Dr. Vasil Tupurkovski, former member of the SFRY Presidency from the Republic of Macedonia, by Svetislav Spasojevic on 11 January 1992; place not given: "Macedonia Is Somewhere Between Earth and Sky"]

[Text] When we scheduled this interview with Dr. Vasil Tupurkovski, he was a member of the SFRY Presidency from the Republic of Macedonia. On 11 January, the day of this interview, he was relieved of that position. In spite of that fact, Mr. Tupurkovski has remained the second man in Macedonia, if on no other basis then certainly because of his popularity with the Macedonian people.

It is also of some importance to this interview that the subject did not require prior authorization of the text, which is quite unusual among Yugoslav politicians.

[Spasojevic] Let us begin with what is most topical at this moment: Do you anticipate today, on 11 January, that Macedonia will be recognized as an independent state on the 15th of this month?

[Tupurkovski] I have been actively involved in the process of shaping the European doctrine. Since 16 December of last year, Macedonia has been completely equal with all those that want independence, and I am an optimist in thinking that it will be recognized. On the basis of experience and communications with the European ministers, I know that this is not an automatic process, and that we still have ahead of us a rather trying time in the recognition process. However, this is an irreversible process, and Macedonia will be recognized as an independent state.

[Spasojevic] The veto exists in the European Community.

[Tupurkovski] After yesterday's meeting of the Council of Ministers, in which the ministers finally decided that they will not apply consensus procedure, that is, the veto of any member, there are real prospects that in this process Macedonia will gain recognition of most of the members of the European Community. At the same time, I would say that this need not be bound to the date of 15 January, but this is a process which now is really irreversible for Macedonia. And those are facts which cannot be changed.

[Spasojevic] If it turns out that Macedonia is recognized, how will it function as a state if Greece does not recognize it, Bulgaria accepts the state, but not the Macedonian nationality, and the Albanians are this very day holding a referendum in which without any doubt they will vote in favor of political and territorial autonomy, and it cannot be accurately predicted how Serbia will react?

[Tupurkovski] The environment is our objective space, and we cannot change it, but we can influence the quality of relations. In Macedonia, this is a great triumph of moderation and, if I might so term it, of the central political line. We want to establish extremely good relations with all neighbors. It is not a question, then, of standard and average relations. Greece, which is a member of Europe, ought not to have many options concerning its behavior, but should exclusively honor the European criteria. When we analyze Bulgaria's aspirations to become a European country in the sense of belonging to the West and certain achievements of civilization, then it also has no other options but to behave and respond in kind to our goodwill.

As far as Serbia is concerned, I have never paid attention to the marginal political commitments in it. They have been anti-Macedonian, and are so today, and they simply radicalize relations between Macedonia and Serbia. During the recent meeting in Ohrid between the Macedonian and Serbian leaderships, it turned out that the central line is cooperation, a normal relationship, mutual respect, and recognition of the Macedonian road. I therefore do not expect any problems with Serbia. Especially because we are interested in maintaining those relations on the highest possible level. There must

not be any borders, especially artificial borders, in the movement of people, capital, ideas, culture, and all the rest.

[Spasojevic] When you speak of the summit meeting between the Macedonian and Serbian leaderships in Ohrid, can I take that to mean that Slobodan Milosevic supported the Macedonian commitment, that is, Macedonia as an independent state?

[Tupurkovski] Milosevic and the others in the top Serbian leadership were unambiguous in their respect and recognition of the right of the Macedonian people and of the Republic of Macedonia to make the choice that is in its authentic interests. It is also true that they asked us to think more intensively about links to Serbia and with the state of which Serbia will be a part. That is not in dispute, because Macedonia has always been in favor of association, cooperation, and a good quality of relations. But it must once and for all resolve the important historical issue and win its independence. Then there would be no dilemmas whatsoever, and in the final analysis aspirations toward Macedonia would be forgotten. You spoke just now about some of them, and I think that Macedonia will enter into various levels of relations with the republics of what I shall refer to as the former Yugoslavia.

[Spasojevic] There remains the Albanian question, which is probably the most delicate, and, I believe, has unforeseeable consequences....

[Tupurkovski] Even Albania is part of the European system, since it has entered into the Conference on European Security and Cooperation, so that it spite of the level of indoctrination in Albanian society and politics, things are moving in the right direction. I think that over the medium term, Macedonia will manage to create solid foundations for normal cooperation with its neighbors. In that way, it will correct the environment in which Macedonians live today.

Our problems will be more economic and interethnic. This is where I see the basic question that will relativize the quality of the Macedonian state. But even these problems are objective and an expression of our entire crisis. They do not disqualify any of our republics, any of our communities, nor, if you like, any country in the neighborhood. In practical terms, these are general and global categories. We will be working out the nationality question, development, and the lag in technological development of this entire space in communication with Europe, and I believe that this will then slowly become an integral part of normal progress and of this state of ours.

[Spasojevic] How do you see Skoplje's future ties with Belgrade, Sarajevo, and Titograd? To be more precise: Do you make a distinction between Slovenia and Croatia on the one hand, that is, one part of it, and the so-called truncated Yugoslavia?

[Tupurkovski] We will continue to insist on what is in the objective interest of all the republics and that is their association. I think that this opens up the way to more rapid association with the European Community and opportunities for further constructive exploitation of the Yugoslav market, which is not negligible and maintains respect for the life we have had together for so many decades. It would be disastrous if we completely reject the constructive aspects of that life together. In that context, Macedonia will build an approximately equal relationship with Belgrade, Zagreb, Ljubljana, Sarajevo, and Titograd. I think that there is a favorable attitude toward that in Macedonia. Finally, the citizens of Macedonia voted in their referendum for the right to build an association with the other republics.

[Spasojevic] That means that Belgrade and Zagreb, for example, will receive the same treatment even if Croatia is a separate state?

[Tupurkovski] I am convinced that the Macedonian political structure will so determine. Partners are also necessary, naturally, for that kind of commitment. If others also have that frame of mind, then it will be built, and if not, then we will have to assess whether to modify the intensity toward some and develop it intensively with others.

[Spasojevic] Macedonia's border with Albania has been almost abandoned, and the Albanians are entering Macedonia without any check whatsoever. Will a future Macedonia have its own army, or will it rely on the 3d Military District, that is, the Yugoslav People's Army [JNA]?

[Tupurkovski] In spite of the differing views of important political entities in Macedonia, we have been insistent that problems with the JNA be resolved by agreement. We even put the nonappearance of the draftees in the context of mutual understanding between the Army and the Republic of Macedonia. We will continue to insist, because that is the line that is dominant in Macedonia, for all issues concerning relations with the Army to be resolved by agreement. But from the positions of an independent state. In that context, I expect that that kind of outcome is very possible and that the Yugoslav People's Army will withdraw from Macedonia. Macedonia can bring things to a conclusion by involving territorial defense. Under circumstances without war, of course, and I hope that that will become our reality. Other arrangements are also possible concerning protection of borders, because while that is the Macedonian border, it is also equally the border that guarantees stability for the others in Yugoslavia as well.

[Spasojevic] That is your position, Mr. Tupurkovski, on relations between Macedonians and Albanians with respect to their states, but what is happening between these nationalities in Macedonia itself?

[Tupurkovski] There are very unfavorable trends in interethnic relations caused by the commitments of the Albanian ethnic parties to the effect that Albanians

should not participate in the census, in the referendum on adoption of the Constitution of the Republic of Macedonia, and their separate referendum and census today nevertheless show that in a year they have reached an awareness that favors the up-to-date European approach, in which human rights are viewed as an obligation and opportunity to succeed in achieving a quality life. I am convinced that if this referendum had occurred a few years ago, Macedonia would have resorted to repression. There was a time when sanctions were seen as the only way out. Now we look on these things as a political problem, because we have been relieved, for instance, of the consequences of disintegration of Macedonia. The minority situation for the smaller ethnic groupings is not a status of inferiority, because it presupposes certain rights. We fully accept that logic today. In that context, a solution will also be found for interethnic problems in Macedonia.

[Spasojevic] Does the apparent peace in western Macedonia depend on events at the moment in Kosmet? For instance, if Kosmet explodes, what will happen then in western Macedonia?

[Tupurkovski] Our way out does not depend on how long it remains peaceful in Kosovo. The way out should be sought in building mutual understanding in Macedonia. The Albanian question is not an overall Yugoslav question. It is a question of Albanians in Macedonia and of Albanians in Serbia.

[Spasojevic] You believe, then, that the Macedonians, even though the Albanians have taken almost half of their living space and represent more than 30 percent of the republic population, will manage to resist on their own, as they put it where you come from, the "wolf from the West"?

[Tupurkovski] I believe that the Macedonians will reach an understanding with the Albanians in Macedonia.

[Spasojevic] I have the impression, although I think that this does not mark Macedonian policy as a whole, that it is almost more important to separate from Serbia than to make an independent state. It is possible that I am exaggerating a little....

[Tupurkovski] Well, there is a bit of exaggeration in that assertion of yours, but there is also truth. It is true that over a lengthy period of what I might call Macedonian emancipation, an anti-Serb disposition has been the central content. I agree with that observation, but we should analyze more deeply as to why that was the case. First of all, the anti-Serb disposition in Macedonia had its counterpart in the anti-Macedonian disposition in Serbia. Intellectual milieux in Macedonia, which recently have found the leitmotif of their activism in anti-Serbism, found partners that were exceedingly grateful for this in intellectual milieux in Serbia.

Other entities are also coming to the surface in the political nomenclature of interests, not merely the intellectuals. Take entities in the economic sphere, ordinary citizens, who are slowly finding the way toward political expression, who have human, athletic, social, cultural, and other ties. The anti-Serbism in Macedonia is also losing importance in that broader range.

[Spasojevic] When I speak about anti-Serbism, I should also mention the schooling of Serbian children exclusively in the Macedonian language. Why is that the case?

[Tupurkovski] For me, that is no argument at all. I have lived in Skoplje all my life and I can tell you that until the crisis of relations in Yugoslavia no one ever thought that there were any significant differences or divisions. The Serbs and Macedonians absolutely lived in a very correct and close relationship. Which means that we have to look for the reasons why those relations deteriorated. Human relations between Macedonians and Serbs, interethnic relations, whatever we call them, in Macedonia have withstood all trials until quite recently.

[Spasojevic] Why, then, have the Serbs been omitted from the new Macedonian Constitution?

[Tupurkovski] If there have been any mistakes, I see one of them in the fact that the Serbs have not been mentioned in the preamble to the Constitution. Macedonia will correct that quite simply, precisely because the negative potential is not dominant, but a normal and affirmative potential in life together.

[Spasojevic] In Serbia, they say that there are 300,000 Serbs living in Macedonia. Would you comment on that fact?

[Tupurkovski] We have had a census that was based on the normal scientific and professional methodology. I say that the number of Serbs in Macedonia is not the product of falsification, but it is possible that it is not precise.

[Spasojevic] How many Serbs do you think there are in Macedonia?

[Tupurkovski] According to the census, there are 44,000. It is possible that there were certain oversights in the sense of the desire of the Serbs themselves to declare themselves. All right, let it be more than that number. But we cannot behave differently than to take into account the statistical data. I should also say that I would always agree to a census, under regardless what arbitration, supervision, or control, that would show that the official figure is not correct.

[Spasojevic] There is frequent talk both in Belgrade and Skoplje about certain things that are a burden on relations between Macedonians and Serbs. Even Mr. Kiro Gligorov says that. What, in your estimate, are the key factors and things that are burdening those relations?

[Tupurkovski] Relations are strained, but they have been relaxed quite a bit by the recent talks. They are absolutely received favorably in Macedonia. I hope that that is the case in Serbia as well. The result of those talks has been very well received here in our community. As you

see, it says much about the essence of our relations when we can relieve them with just one conversation.

[Spasojevic] You attended those talks, and you say that the top Serbian leadership has respected all the demands of Macedonia?

[Tupurkovski] That was the attitude of the Serbian leadership toward our relations. We did not present them to the Serbian leadership for verification. But it is very constructive that they have been respected.

[Spasojevic] What shall we do, Mr. Tupurkovski, about the emotions of your people and mine? You know, we are bound together, among other things, by emotions as well.

[Tupurkovski] I have never had prejudices toward any people, including the Serbian people. That is why it has not bothered me to have been frequently criticized here, even in this past year, because of my attitude, including my attitude toward Serbia and the Serbian people. After all, I have always assumed that the majority had a constructive attitude. Finally, I completely respect the life we have had together in past decades, and if one reflects a bit about that he will see the results of that life at every corner. We have been talking about Serb-Macedonian relations, and these people, however much they may have been under the pressure of propaganda and the current political situation, have the strength to resist those pressures. No one will ever disturb that, and precisely for that reason emotion is something which cannot be repudiated, even as a source of policy. That is why I have been in a very good mood in the last few weeks because a dialogue has finally opened up at the level of Serb-Macedonian relations. For example, we have never taken as our premise that we should destroy the federal state by unilateral acts. And we have not done so. Others in Yugoslavia had that as their basic conception. That is why the relationship of Serbia toward those entities is different. It finally reached that point with the talks in Ohrid.

[Spasojevic] Could the outcome of it all have been any different if contacts between the political leadership of Macedonia and Serbia existed even earlier? Say, in early 1991?

[Tupurkovski] It is most likely that we would have been able to exert more influence on the Serbian side, although it is not our assumption that it was necessary for anyone to influence anyone else. But simplified ideas about what kind of alliances are formed in Yugoslavia and in Yugoslav politics would have developed through such relations.

[Spasojevic] Do you think that there were no prospects at all for Belgrade to influence you?

[Tupurkovski] Yes, I think that is so. After all, even without that last meeting, we coincided on very important matters with the Serbian leadership. What am I talking about? We were in favor of an agreement to resolve the crisis in Yugoslavia, respect for constitutional arrangements, the use of political means. Accordingly, in principle we coincided. In practice, in actual political practice, the differences were evident, and they cropped up and moved us further apart everyday, once again because of the overall relation with the others in Yugoslavia.

Could Belgrade have been able to influence us? No, it could not. Do you know why? Because as the crisis intensified, if we measure the conditions by some standard, Serbia was nevertheless on one side, and Slovenia and Croatia on the other. Zagreb, Ljubljana, and Belgrade simply insisted on nothing but differences. However, Macedonia—with its entire being—was not ready to accept that.

[Spasojevic] Do you think that the war was imposed on Serbia?

[Tupurkovski] The war is the product of absolutization of respective positions and respective views of the truth. That kind of behavior, which certainly did not come only from Belgrade, made it inevitable. Macedonia could not have prevented it, and those who could have influenced the destiny of that conflict and its development were simply carried away by momentum or did not have sufficient political will to replace the radical solutions with a political dialogue. That occurred throughout the entire year of 1991.

[Spasojevic] You were in Slovenia when the war began. Is there any justification for the brutal attack of the Slovenian forces on what at that moment was the complete innocence of the Yugoslav People's Army? What do you think about that as a man, not as a member of the Presidium?

[Tupurkovski] Believe me, it was indeed as a man that I reacted. After all, I spent the first several days in Slovenia with no mandate from the Presidency. Until the war broke out, we could think about various options, even about whether some Yugoslav idea could succeed. But when war came, it was clear to me that that was the end of it all.

I have never found a justification for the unilateral and radical behavior of the Slovenes toward Yugoslavia and toward the Yugoslav People's Army, that is, toward members of the Army. There was immense dissatisfaction in the Army structure toward the top Army leadership. We were all trying to channel that once again in the direction of dialogue and a political solution.

[Spasojevic] Was there a division in the top leadership of the Army before the war began? I am thinking of an ethnic division as there was in the sphere of politics.

[Tupurkovski] The Army has always asserted that it was compact, but there were divisions in the top leadership. I personally could not speak about specific examples, but it is obviously possible to think about a very strong objective influence of our relations on the top Army

leadership. I think it is logical to reflect along those lines. And that later proved obviously to be so.

[Spasojevic] What will happen if by some chance a decision is made at some top level that the so-called truncated Yugoslavia exists?

[Tupurkovski] It is possible. I have never eliminated that alternative even in relations between countries which otherwise have been represented in Serbia as hostile.

[Spasojevic] Do you not think that Germany has certain bad intentions toward Serbia?

[Tupurkovski] It is with Mr. Genscher that I have spoken most frequently. Some 12 times over the last six or seven months.

[Spasojevic] And what is your impression?

[Tupurkovski] Always, including the last time, I have at times provided information about this and sent signals to the top Serbian leadership. Even the last time, on 2 January, he presented the persistent thesis that Germany is nurturing the same relationship toward the peoples of Yugoslavia and that this will be demonstrated very quickly over the issue of German pressure concerning the association of the Yugoslav republics with the European Community, that it is in fact a friend of all the Yugoslav peoples.

[Spasojevic] I will ask you in conclusion with whom I have been talking? I know your first name and last name, I know that you are a professor of international law at the university, but from today you are not a member of the Presidency....

[Tupurkovski] You have been talking with Mr. Tupurkovski, who has had the good or bad fortune to be present during this decade in political life in Yugoslavia.

Slovene-Croatian Tension Seen in Fishing Industry

92BA0433E Ljubljana DELO in Slovene 24 Jan 92 p 1

[Article by Boris Suligoj: "Will Slovene Fishermen Put Away Their Nets?"]

[Text] Koper, 23 Jan—The Croatian police have already started to stop Slovene fishermen. This was stated by Roman Roskar, a leader of the fishermen of Izola's Delamaris, at today's meeting of the Commission on Hunting and Fishing of the Assembly of the Community of Coastal Opstinas. Some fishermen have even had their fish confiscated, so that instead of their catch they only got a certificate of the confiscation of the fish. Both private fishermen and the fishermen of Izola's Delamaris have had difficulties.

What was agreed upon in the fall between Slovene Minister Joze Osterc and the Croatian Republic's Minister for Maritime Affairs, Dr. Davorin Rudolf, is no longer valid, the Slovene fishermen maintain. At that time, specifically, the two ministers agreed that unchanged regulations on fishing, as well as the sale and purchase of fish, would be in effect until the two republics agreed on how they would regulate all these issues. At the meeting of the coastal fishing commission the fishermen found out that recently the Slovene government has tried on several occasions to raise the issue of concrete regulation of the situation in this field, but the Croatian government responded that it did not intend to regulate these issues because it was giving priority to the war.

The fishermen's representatives are angry about the present situation because it is clear that they can put away their nets. They are convinced that the Slovene government has not been decisive enough in trying to settle these issues, and that the Assembly's Fishing Commission has also done too little, and they are thus now forced to seek solutions themselves. Some of them are seeking possibilities to become Croatian citizens, and others are trying to establish joint enterprises (although that does not make it possible for them to fish in Croatian waters), demanding a ban on issuing fishing permits, etc. Slovene fishermen catch approximately 7,000 tons of fish per year, nine-tenths of it in Croatian waters; somewhat less than 1,000 workers are employed in this industry, and they export approximately $6 million worth of fish.

Federal

Russian Envoy Discuss Relations

LD0402182392 Belgrade TANJUG Domestic Service in Serbo-Croatian 1510 GMT 4 Feb 92

[Text] Belgrade, 4 Feb (TANJUG)—Milan Veres, under secretary in the Federal Secretariat for Foreign Affairs, held talks today with Yuriy Beryabin, special envoy for the Russian Federation minister of foreign affairs, who is visiting Yugoslavia at the initiative of Boris Yeltsin.

The objective of Beryabin's mission is to present positions and to exchange views on Russian-Yugoslav relations and cooperation under new conditions.

Beryabin reiterated the interest and readiness of the Russian side to actively contribute to further promoting relations and cooperation with Yugoslavia, the international identity of which it strongly supports.

The Yugoslav side very critically assessed the Russian Federation's intention to recognize Slovenia and Croatia and expressed its regret over this one-sided act which in essence legalizes secession and makes difficult the quest for a political solution of the Yugoslav crisis. Special emphasis was laid on the sensitive nature of the present time when the cease-fire has to be preserved and stabilized and all the necessary conditions regarding the arrival of the UN peace-keeping forces have to be established.

Specific activities of the two sides concerning the implementation of existing agreements, especially in the area

of economic cooperation between the Russian Federation and Yugoslavia, were also discussed.

SFRY Economic Situation Breaks Down

LD0402193192 Belgrade TANJUG in English 1838 GMT 4 Feb 92

[Text] Belgrade, February 4 (TANJUG)—The Yugoslav economic situation is far move complicated and difficult than statistical data show, as acting president of the Yugoslav Chamber of Economy Dose Kotevski told TANJUG reporter today. It is impossible to collect data on the state of the economy while the war lasts, said Kotevski, and added that certain data are used for daily political purposes. Plans for halting the drop in the country's production and promoting its recovery will not be easy to realize unless there is peace in the country, said Kotevski.

It is necessary to undertake all possible measures to maintain the level of production of consumer goods at least, said Kotevski, because fewer goods are arriving on the markets than are needed, and there is no hard currency for buying foreign goods. Kotevski warned that there was an unequal supply of agricultural products and foodstuffs, and in some areas there was not sufficient food to feed the population. The economy, according to Kotevski, will find it difficult to function further—with the disintegration of the financial system, the traffic blockade, the division of the electrical power supply system into the eastern and western parts, the closing down of the Yugoslav oil-pipeline and the ban on transporting coal from one republic to another.

The total sovereignty of the Yugoslav republics without a material base will not pave the way to prosperity. Some are already aware that they lack markets, others that they need raw materials, and others again that they do not have the money, and so on down the line, said Kotevski. In spite of this situation, the impression is that foreigners see us in a better light, said Kotevski. We have offers from the United States for the organizing of the annual meetings between Yugoslav and U.S. businessmen, this time in Ohrid at the end of March, and similar proposals have arrived from Turkey, said Kotevski.

Floating Exchange Rate for Dinar Introduced

LD0402154392 Belgrade TANJUG in English 1033 GMT 4 Feb 92

[Text] Belgrade, Feb 4 (TANJUG)—Commercial banks will from today until Thursday, February 6, purchase foreign currency (in cash) at a mean rate of 84.2 dinars for one German mark, the banks decided on Monday.

The exchange rates for other currencies will be calculated on the basis of the currency rates on the world markets, foreign currency market official Zoran Spirkovic has told TANJUG.

In contrast to the exchange rate set by the National Bank of Yugoslavia (NBJ), our rate will react daily to the situation on the official foreign currency market, and will be formed according to supply and demand, Spirkovic said.

Foreign currency in citizens' bank accounts deposited before April 27 last year will still be purchased at a rate of 65 dinars for the D-mark [German mark] set by the federal government on January 18.

NBJ Governor Dusan Vlatkovic has said that this rate will also be reviewed and changed monthly if need be.

Bosnia-Hercegovina

Bomb Blast Cuts Traffic Link With Croatia

LD0502115892 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 5 Feb 92

[Text] This morning, at about 0900 to be more precise, as a result of a powerful blast on the Bosnian side, the bridge over the Sava River between Slavonski Samac and Bosanski Samac was damaged. At the moment the bridge is the only transport link between Bosnia-Hercegovina and Croatia.

According to information currently available, it has been learned unofficially that an explosive device had been placed under the main bridge support. Investigating teams are on the spot and it is expected that after a survey has been carried out we will know whether traffic can cross the bridge. Unofficially, it is understood that road and rail traffic are no longer possible. For this reason, traffic police have warned all drivers on their way to Samac that because of the damage to the bridge between Slavonski Samac and Bosanski Samac all traffic has been stopped until further notice .

In view of the fact that all traffic has been blocked since 0900 today over the Sava bridge between Slavonski Brod and Bosanski Brod, Bosnia-Hercegovina experienced a complete traffic blockade this morning.

Military Situation in Mostar Deemed 'Uncertain'

AU0402160092 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 4 Feb 92

[Bosko Santic report]

[Text] Since this morning, residents of Balinovac, Krusevo, and Slipcici—local communities on the western outskirts of Mostar—have been using iron hedgehogs to block all exits out of Mostar toward Citluk and Siroki Brijeg, that is to say, toward western Hercegovina. After the recent shooting and wounding of officers of the Yugoslav People's Army [JNA], this has made the situation in this part of the Hercegovina region even more uncertain.

Around 1,000 residents of the aforementioned local communities wanted to prevent movement by members of the JNA, but considering their banners—saying, We do not want the Yugoslav Army, We have had enough of

terror, and so on—they seem to actually want to provoke new conflicts, like the one that happened a few days ago.

It is true that this region is mainly populated by Croats, but the residents seem to have forgotten that these local communities nevertheless belong to Mostar and not to one of the western Hercegovina communes where members of the JNA have not stepped foot since barricades were put up for three days last May. Therefore, the provocations can only be attributed to the citizens and not at all to JNA members, as the citizens have wanted to show.

All this is, of course, closely linked to the political situation, the upcoming referendum, and the possible division of Bosnia-Hercegovina. That is to say, we are talking about the fact that western Hercegovina is not a disputed area: According to many people, this is the most Croatian part of Croatia. However, Mostar has never been and never will be able to belong there. It is so [word indistinct] for the Croats that it has even been proclaimed the center of the Croatian Community of Bosnia-Hercegovina. Of course, the JNA is hampering their plans, which is why there are loud calls for the reservists to leave the town.

The situation at the western exit out of Mostar is now quite uncertain. That is to say, it is not known how the JNA will react in the hours to come.

JNA Troops Forbidden to Enter

LD0402211192 Belgrade TANJUG in English 2045 GMT 4 Jan 92

[Text] Mostar, Feb 4 (TANJUG)—Representatives of the civilian authorities and the army in the Bosnia-Hercegovina city of Mostar today reached agreement that the military authorities forbid the Yugoslav People's Army (JNA) troops to enter "settlements bordering with military positions near the communes of Mostar and Citluk."

The announcement issued after the meeting sets out that the military authorities obliged themselves to visibly and according to regulations mark the minefields around military compounds in the Mostar commune.

During the conflicts in the Dubrovnik region, a large number of JNA reserve troops have been transferred to protect the military airport located in Mostar.

The vicinity of Mostar and Citluk is mostly inhabited by Croats who opppose the army's deployment around the Mostar airport and in eastern Slavonia. Several minor incidents occurred between the population and the JNA reserve troops in eastern Slavonia.

The two sides agreed that the JNA does not stop and control civilian vehicles and civilians and that the police do not control military vehicles and personnel.

They also agreed to look into the possibility of the police and army forming mixed patrols made up of active policemen and the regular military police.

Traffic on the highways between Mostar and Citluk and Mostar and Siroki Brijeg, also in Bosnia-Herzegovina, did not return to normal by this afternoon because of the barricades which the citizens put up in Mostar's western suburbs this morning.

The gathered citizens, mostly Croats, are demanding of the JNA to "guarantee it will not use the part of the highway towards Citluk for the transportation of people, arms and military equipment."

Army Arrives in Mostar

LD0502131592 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 5 Feb 92

[Excerpt] The security situation in Mostar, where the population spontaneously gathered and erected barricades on roads along which transports of the occupying army have been passing, has deteriorated since morning. This morning a column of the occupying army, consisting of seven truck loads of reservists, arrived in the village of Jasenice and threatened to use force to break up the citizens' barricades. Citizens persisted in their demands not to allow the Army to use these roads. A kind of agreement has been reached: Citizens should maintain the barricade until tomorrow, when an official reply from the Army is to be given. [passage omitted]

Karadzic Comments on Babic Stand on UN Plan

AU0402215492 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 4 Feb 92

[Statement by Radovan Karadzic, president of the Serbian Democratic Party of Bosnia-Hercegovina, for the "Dnevnik" newscast; place and date not given—recorded]

[Text] During the 52 hours of the SFRY Presidency session, we discussed all aspects and implications of Mr. Cyrus Vance's peace plan and came to the firm conclusion, and reached a high level of agreement, that the plan does not imply political solutions and that it ensures peace and security for the Serbian people in the Krajinas.

We fully understand Mr. Babic's fear and caution, because he does not trust the Croatian side and its armed forces, and is not sure they will not attack the Serbian people, even more so because the Croatian side has been making provocative statements about waiting for UN forces in order to take advantage of them to take control over the Serbian Krajinas. If they were really capable of doing so, they would have been silent and waited. They are, however, provoking the Serbian side and waiting for it to reject the UN forces.

As regards the Serbian Democratic Party of Bosnia-Hercegovina, it firmly sticks to its belief that the Serbian political and state problem should be solved in a unified

manner and we are never going to betray common Serbian interests. However, we are sure that, respecting the orientation toward the strategic aims of the Serbian people, we must change our tactics from time to time. At this moment, the Serbian people have everything that is theirs, apart from a part of western Slavonia, but it will regain that as well, with the help of the UN forces. In this war, just as in any local war, what is gained militarily must be solved and sanctioned in a very long political struggle.

We understand Mr. Babic's fears, but are also convinced that Vance's plan must not be rejected and we think that what is involved in Mr. Babic's case is an insufficient understanding of all these implications, as well as an insufficient tactical flexibility under new conditions.

Therefore, Vance's plan does not deal with political issues at all and aims to establish full peace and security for the Serbian people in the Republic of Serbian Krajina. Almost all assembly presidents, that is, the local authorities, as well as the complete leaderships of other two regions—western Slavonia and eastern Slavonia, Baranja, and western Srem—have understood this in general. According to this plan, the authorities in these territories remain Serbian; Serbian police (?will take care), of course in the proportion to which Serbian people are present there, and there is also the Territorial Defense, which is going to put its weapons into racks, but can arm itself in 15 minutes if the plan is not respected.

On the other hand, the Yugoslav People's Army is stationed on the eastern border of the Republic of Serbian Krajina and, if the plan is not heeded, although that is unbelievable, because if the plan is not respected and the Croatian forces attack, that would in fact be an attack against the United Nations, an international organization that guarantees peace [sentence as heard].

HDZ Official Explains Kljujic Resignation

AU0402104392 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1800 GMT 3 Feb 92

[Interview with Josip Peric, president of the Tomislavgrad communal committee of the Croatian Democratic Community, by Josip Deklic on 3 February; place not given—recorded]

[Text] [Deklic] Mr. Peric, Stjepan Kljujic, president of the Croatian Democratic Community [HDZ] for Bosnia-Hercegovina, submitted his irrevocable resignation yesterday in Siroki Brijeg, and a rift arose within the HDZ for Bosnia-Hercegovina. What were the official causes of this?

[Peric] I would not agree with you that there was a rift because I cannot call this a rift. There was a clash, but not in the literal sense, between different options and views of how to solve problems, that is to say the question of the Croatian people in Bosnia-Hercegovina. Since the HDZ is a democratic party it cannot be discounted that either one or the other option would have the advantage.

[Deklic] What was Kljujic, a person loyal to the idea and policy of preserving the integrity and sovereignty of Bosnia-Hercegovina, particularly criticized for at yesterday's meeting?

[Peric] There is no truth in what was reported to the public that his resignation meant victory for the hardline current that wants the destruction and splitting of Bosnia-Hercegovina. There were attempts the whole time to accuse us of this, but none of us agrees with this, because this is nothing but a lie and allegation.

It involved the following: Mr. Kljujic resigned because he did not properly perform the tasks of the party president and because many speakers criticized him—and substantiated their criticism of him—for problems and things that the presidium headed by him must do and which it did not do. That is to say, the HDZ for Bosnia-Hercegovina did not function the way it should have, and we had mainly an inferior role in relation to the Serbian Democratic Party and Party of Democratic Action. The majority of the people in the main committee thought that the HDZ must have its own policy and that it must take the initiative. If it had promised the Croatian people that it would never betray them, then this promise must be fulfilled.

Regarding the referendum, I think that the stand of the HDZ has been wrongly interpreted, as well as this option that some people say has been victorious. This is not a question of any kind of victory. It is a question of the following: The Croatian people and the HDZ, particularly in the areas of Bosnia-Hercegovina and Posavina, think that because of the way in which it was decided upon the Croatian people would be manipulated and deceived in the upcoming referendum. We think that the referendum cannot be held until some issues are previously resolved, that is to say, until an agreement is reached between the three state-creating peoples. This is because we cannot simply vote on a referendum without the rules of the game having been previously agreed upon for the referendum.

After that, anything can happen. To prevent this and to preserve the sovereignty of the Croatian people as the oldest people on the territory of Bosnia-Hercegovina, this view must be expressed, and the people who arranged for the Croatian people to agree to the referendum being carried out must be told that this is not the stand of the Croatian people. The stand of the Croatian people favors a sovereign Bosnia, as well as sovereign peoples and sovereign area. This is more or less the conclusion of our meeting yesterday.

This means that we are in favor of a sovereign Bosnia but not unconditionally. Without this, I think that Bosnia-Hercegovina will not be a sovereign republic, and neither the Croats nor the Serbs will agree to this.

Croatia

Ambassadors Exchanged With Germany

LD0402180192 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 4 Feb 92

[Excerpts] Dr Horst Weisel, ambassador of the Federal Republic of Germany to Croatia, presented his credentials to Croatian President Dr. Franjo Tudjman in Villa Zagorje today. At the ceremonial reception, Ambassador Weisel and President Tudjman gave formal speeches, the president's office has reported. [passage omitted]

While you are listening to this, in the Villa Hammerschmidt in Bonn—the residence of Federal German President Dr Richard von Veizsacker—Dr. Ivan Ilic, first ambassador of the Sovereign Republic of Croatia, is presenting his credentials to the German president, and is thus becoming the official Croatian diplomatic representative in Germany. [passage omitted]

'Turnabout' on UN Forces May Delay Deployment

LD0402140792 Belgrade TANJUG in English 1246 GMT 4 Feb 92

[Text] New York, Feb 4 (TANJUG)—Dismayed over Croatia's turnabout and refusal to accept a UN peacekeeping force, and with the controversial attitude of the Republic of Serb Krajina (RSK), the United Nations will probably delay further a decision to dispatch a peacekeeping force tasked with protecting the Serbian population from reprisals by secessionist Croatia.

This follows from last night's statements by U.N. Secretary-General Butrus Ghali, who announced that he would propose an increase in the number of liaison officers in Yugoslavia, as well as from the open dissatisfaction of U.N. general-secretary's special envoy Cyrus Vance with Croatia's post-factum reservations.

Butrus Ghali and Cyrus Vance met last night in the U.N. headquarters to discuss the crisis in Yugoslavia and plans to send at least ten thousand "Blue Helmets" to the region of the RSK, which was proclaimed upon Croatia's secession from Yugoslavia. The Serbs, who are the majority population in Krajina, fear a repeat of the reprisals they already experienced during the Second World War, and also during the recent clashes in that region.

Butrus Ghali announced that he would suggest sending new liaison officers to Yugoslavia. There are now 50 U.N. liaison officers in Yugoslavia in what is considered to be an advance party for a peace-keeping force. After his meeting with the secretary-general, Vance said that the Croats were "backing off from what they committed to do at an earlier date, and that simply is unacceptable."

The U.N. peace plan has so far been accepted by the collective Presidency of Yugoslavia, the Republics of Serbia and Montenegro, Serbs in Bosnia-Hercegovina, and a part of Serbs in Krajina and other regions to which the U.N. forces are to be sent. Reservations have been expressed only by RSK President Milan Babic and the Government of Krajina, who have because of fears that the Croats might abust the peace plan requested additional guarantees.

Serbian Krajina Communal Presidents Denounce Babic

AU0502084492 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 4 Feb 92

[Text] Before we end this newscast, let me read an announcement sent to us by the presidents of the communes of Donji Lapac, Benkovac, Obrovac, and Korenica with a view, as they say, to providing true information for the people of the Republic of Serbian Krajina. The announcement says the following:

Neither we nor the ministers of foreign affairs, defense, and others were invited to the expanded session of the SFRY Presidency, although we are legal representatives of the people. The personal interest of an individual was put above general interests, just as on numerous occasions in the past, for fear of the democratic views of the people who elected us and who on several occasions have criticized both individuals and formal institutions in the Republic of Serbian Krajina. President Babic's yes-men once again have manipulated the Serbian and Yugoslav public.

By failing to invite us to the SFRY Presidency session, we have been denied the right to appear in the name of the people, and we therefore extend our full support to Mile Paspalj, president of the Assembly of the Serbian Krajina, because he has signed [the Vance peace plan] and has chosen peace for the Serbian people. We condemn the proposal for war as the madness of an individual who has never worried about the people and finally has the duty to account for himself before this same people regarding both political and financial manipulation by the government and in the name of supposed higher aims.

This is said in the public statement by the presidents of the communes of Donji Lapac, Benkovac, Obrovac, and Korenica.

Cease-Fire Holds; No 'Serious Clashes' Reported

LD0402193792 Belgrade TANJUG in English 1817 GMT 4 Feb 92

[Text] Zagreb, Banja Luka, Sid, Feb 4 (TANJUG)—There were no serious clashes on the battlefronts in Croatia today between members of the secessionist Croatian forces, on one side, and Yugoslav People's Army (JNA) and Serbian territorial defense units, on the other, judging by the reports arriving from the field. The ceasefire was mostly respected on the western Slavonian front, except for sporadic shooting, as TANJUG reporter in Banja Luka has filed, quoting military sources.

Deputy commander of the JNA units stationed near Jasenovac, Maj. Milisav Barac has told journalists that

the Croatian side has been daily violating the ceasefire and firing from infantry weapons. Military sources have reported that the Croatian side continues regrouping its forces and bringing in fresh units.

Croatian radio, itself, has reported ceasefire violations in western Slavonia. Croatian radio has said that the JNA and the Croatian forces are each on its side, as agreed, destroying the laid land mines. Croatian radio has accused the JNA of not respecting the Sarajevo ceasefire agreement and fortifying its units and bringing in reinforcements.

Judging by the reports which have arrived so far, it was relatively quiet today in the areas of Vinkovci and Vukovar. Military sources have announced that three explosions were heard from the direction of Vinkovci at around noon local time today, but that it is not known what caused them. Croatian radio did not report any clashes in the areas of Vinkovci and Vukovar in its afternoon broadcasts.

Quiet Overnight

LD0502134792 Belgrade TANJUG in English 1318 GMT 5 Feb 92

[Text] Belgrade, February 5 (TANJUG)—It was quiet and without any incidents on most fronts in Croatia last night, TANJUG correspondents report from the field quoting military sources.

There were no incidents on the Dubrovnik-Hercegovina front last night. The cease-fire was respected by both sides, the command of the headquarters of the Trebinje-based group of the Yugoslav People's Army (JNA) for Hercegovina said this morning. Following yesterday's provocations by Croatian armed units, the night was quiet also in the front in Baranja, TANJUG correspondent learned at the headquarters of the territorial defence of this region.

However, Croatian radio, which is operating under censorship orders by the Croatian president, reported that some 15 explosions disturbed the citizens of Osijek at around 08:00 hrs this morning. The radio said that this was a result of "a mortar attack from the direction of Baranja on Croatian army positions north of the Drava." The radio also reported that "there were a number of explosions of planted explosive devices in the territory of the Osijek police administration." It was quiet last night in the part of the front between the Danube, the Vuka and the Sava, military sources report. Tripartite talks between representatives of the JNA, the European Community (E.C.) peace mission and the Croatian army are scheduled to be held in the Slavonian village of Mirkovci today.

Morning Mortar Attack on Osijek

LD0502082892 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 5 Feb 91

[Text] At around 0700 GMT this morning approximately 15 explosions were heard in Osijek. We have learned that the explosions were a result of a mortar attack that was launched from the direction of Baranja on the Croatian Army positions north of the Drava river.

Macedonia

Gligorov 'Satisfied' With Visit to U.S., Canada

AU0502122492 Sarajevo Radio Sarajevo Network in Serbo-Croatian 2100 GMT 4 Feb 92

[Text] Macedonian President Kiro Gligorov returned from his visit to the United States and Canada today. Immediately upon his return he held a news conference. Branka Nanevska reports:

[Begin Nanevska recording] President Kiro Gligorov is very satisfied with his ten day visit to the North American continent, during which he meet with the officials, businessmen, numerous prominent citizens of the United States and Canada, the representatives of the UN and the World Bank, and with Macedonians who live and work there. The visit was successful and we achieved what we went there for.

We were given firm assurances that the governments of the United States and Canada will soon recognize the sovereignty of the Macedonian state, and that they will, to the best of their abilities, assist economically in its future development.

Gligorov assessed the talks he held with the UN Secretary General Butrus Ghali and with the directors of the International Bank for Reconstruction and Development very positively. Gligorov's impression was that the UN will find it hard to decide to send the UN peacekeeping forces to Yugoslavia as they do not want to risk a possible failure of the mission. The UN is demanding firm guarantees from all warring sides, and this will obviously take time.

Macedonia requested the mediation of the UN Secretary General in overcoming its misunderstandings with Greece. Macedonia also announced its request to be admitted to the UN General Assembly by the end of the year.

We will highlight only some of the Gligorov's replies to the many journalists' questions.

The international recognition of Macedonia is a process that can no longer be stopped by anybody. It will have a significantly positive effect on peace and stability in the Balkans. It is necessary that the international community recognize all republics that seek recognition as soon as possible and that the republics continue with good cooperation on all levels. However, any sort of Yugoslavia could only be discussed once a certain period of time has passed, passions have cooled down and nationalisms died out, and once the wounds caused to people by this unnecessary war have been healed.

With its assistance by accepting the new republics into its ranks, the EC could do a lot, Gligorov said. [end recording]

Interior Ministry Controls JNA Traffic

LD0502091392 Belgrade TANJUG Domestic Service in Serbo-Croatian 0814 GMT 5 Feb 91

[Text] Skopje, 5 Feb (TANJUG)—Macedonian radio reported this morning that the Macedonian Ministry of Internal Affairs had started implementing a decision by the Macedonian Government on, as it was said, the regulation of relations with the JNA [Jugoslav People's Army] in the sphere of traffic.

It was reported that the Ministry of Internal affairs, on the basis of yesterday's decision by the Macedonian Government, set up control points around JNA barracks and exits from Macedonia. The radio said that last night a column of six JNA transport vehicles was returned to one of the Skopje barracks.

According to the governmental decision, movement of JNA vehicles on roads in Macedonia is allowed only with permits issued by the republican Ministry of Internal Affairs.

Foreign Minister Protests Withdrawal

LD0402212292 Belgrade TANJUG Domestic Service in Serbo-Croatian 2021 GMT 4 Feb 92

[Text] Skopje, 4 February (TANJUG)—Dr. Denko Maleski, minister for relations with foreign countries of the Republic of Macedonia, tonight sent a letter to all the leading figures of the international community to tell them of the withdrawal of the units, and technical and other military equipment of the Yugoslav Army from the territory of Macedonia, and inform them about the decisions of the Macedonian Government regulating movements of military traffic in that area.

In the written message to Cyrus Vance, Lord Carrington, the representatives of the members of the European Community, as well as to the ambassadors of the United States, Canada, and Russia, Maleski stressed that "the Army is withdrawing from Macedonia actively, in a rough and uncivilized way. The Army is taking from military facilities complete sets of equipment, modern electronic devices and systems, and reserves of food and medicines, and it is also taking machinery which is the property of the republic and to which it has exclusive rights."

The letter adds that "the relevant Army authorities have refused all offers of dialogue with the Macedonian Government, despite several initiatives." Pointing out that these circumstances might have undesired consequences, provoke clashes, and jeopardize peace and security in this area, Dr. Denko Maleski expects the international public to get involved and help resolve this dispute through dialogue.

Biographies of New Macedonian Ministers Listed

92BA0430A Skopje NOVA MAKEDONIJA in Macedonian 14 Jan 92 p 2

[Text]

Dr. Lyubomir Frchkovski, Minister of Internal Affairs

Dr. Lyubomir Frchkovski, minister of internal affairs, was previously minister without portfolio. Born on 2 December 1957 in Skopje.

Graduated from law school in Skopje in 1981. Thesis: "Programmatic Evolution of West European Social Democracy," 1986. Doctorate in political sciences, Lyublyana, 1989. Thesis: "Continuity and Contradictions Between Athenian and Contemporary Theories on Democracy."

Junior assistant and assistant professor, Skopje Law School (1984-90); Skopje Law School docent since 1991.

Author of the following books: *New Social Movements and the Alternative Scene*, 1988; *Essays on Social Democracy*, 1991; and the textbook *International Public Law*. His book *Theories on Democracy* is expected to come out this year. No political party membership.

Dr. Trajan Gotsevski, Minister of National Defense

Dr. Trajan Gotsevski, minister of national defense, was previously dean and professor extraordinary, Skopje Department of Philosophy. Born 20 January 1950 in Selnik village, Delchevo.

Graduated in macroeconomics from the Skopje School of Economic in 1973. Masters and doctoral degrees from the same school, 1987, in economics. Has worked on problems of military economics.

Former adviser on preparing the economy for war to the Republic National Defense Secretariat (1978-81); Secretary of the Republic Council of the Communications Workers Trade Union (1981-88); assistant professor and docent, Skopje Philosophy Department (1978-90), vice dean 20 April 1991, dean 1 November 1991. No political party membership.

Dr. Dimitar Bajaldzhiev, Minister of Education and Physical Culture

Dr. Dimitar Bajaldzhiev, minister of education and physical culture, was professor extraordinary, Skopje Law School, and professor, SS. Cyril and Methodius University, Skopje. Born 9 October 1944 in Pugintsi village, Voden, Aegean Macedonia.

Graduated from Skopje Law School in 1968; has a doctorate in law.

Former chairman of the Macedonian Students Union (1967-68); secretary of the Yugoslav Students Union and member of the Union's Presidency (1960-69); assistant professor and docent Skopje Law School (1969-90). Holder of his present position since 1990.

Author of several scientific and specialized works in philosophy and law. No political party membership.

Serbia

Relations 'Thawing' Between Germany, Serbia

LD0502134692 Belgrade TANJUG in English 1312 GMT 4 Feb 92

[Text] Belgrade, Feb 4 (TANJUG)—The Belgrade daily BORBA writes today that 'signals have been coming in since the beginning of the year which point to a 'thawing' of relations between Germany and the Yugoslav Republic of Serbia.' Reporting that German Chancellor Kohl recently 'indicated that the European Community's sanctions against Serbia could be lifted,' BORBA quotes Foreign Minister Hans-Dietrich Genscher as saying in a letter to Serbia's president Slobodan Milosevic that Germany—after the recognition of Slovenia and Croatia—'has no intention of interfering in the organization of the remaining part of the former Yugoslavia.'

The already cooling German-Serbian relations took a turn for the worse after the recognition of the breakaway Yugoslav Republics of Slovenia and Croatia [under strong pressure from Germany in the E.C.], and the imposition of economic sanctions against Serbia and Germany's traffic blockade late last year. Describing the current German-Serbian relations as 'extremely poor,' BORBA says: 'it is hard to conceive that Germany would want in the long-term to enjoy bad relations with a big people in the Balkans and its state.' The roughly 8.5 million Serbs are the biggest people in Yugoslavia, which has a total population of about 23.5 million.

The daily also quotes Serbian Foreign Minister Vladislav Jovanovic as telling the Berlin daily TAGESZEITUNG last week that Germany's policy towards Yugoslavia was 'aggressive,' but also adding that the 'Serbian people certainly want continued cooperation with Germany.' 'Now that revanchism has won, and succeeded in tearing away Slovenia and Croatia, we expect the remaining part of Yugoslavia to be left alone,' BORBA quotes Jovanovic as saying. Member of the leadership of the Democratic Party, professor Radoslav Stojanovic, says that 'there is no reason for any deterioration of German-Serbian relations.'

BORBA quotes Stojanovic as saying that 'Germany has made a mistake in cementing itself so strongly to Slovenia and Croatia in the Yugoslav conflict, rather than supporting a negotiated settlement.'

German Ambassador to Yugoslavia Hansjoerg Eiff has said his country is very willing to back the membership of all Yugoslav Republic in the E.C.,' and that 'Germany is proceeding from an assumption that Yugoslavia as a remnant still exists.' Stresing that Germany was ready to help, as much as it could, lift the sanctions against Serbia, Eiff said 'there exists a need for a normalization and improvement of German-Serbian relations.'

Social Democratic Bundestag Deputy Carsten Vogt told BORBA that much effort had to be invested for the relations between the Germans and the Serbs to be improved. He said the time would soon come when the Serbs would have an interest in good relations with the Germans, and vice versa.

Remarking that Germany is Serbia's biggest foreign trade partner—accounting for 24.5 percent of Serbia's overall exports, and 21 percent of its imports—BORBA warns that Serbia's trade relations with Germany will this year be considerably aggravated owing to the extension of Germany's economic blockade and traffic sanctions against Serbia.

Jovanovic, Russian Envoy View 'High Level' Ties

LD0402210592 Belgrade TANJUG Domestic Service in Serbo-Croatian 1955 GMT 4 Feb 92

[Text] Belgrade, 4 Feb (TANJUG)—Yuriy Deryabin, special envoy of the Russian Foreign Ministry, had a meeting in Belgrade today, at the beginning of his five-day visit to Yugoslavia, with Serbian Foreign Minister Vladislav Jovanovic in connection with Russia's intention to recognize Slovenia and Croatia.

The meeting between Jovanovic and Deryabin lasted more than an hour behind closed doors. After the talks, Vladislav Jovanovic told TANJUG that the talks with Deryabin "reflected a high level of understanding, friendship, and cooperation" which traditionally exists between Russia and Serbia, and which " also is developing successfully under new conditions."

Jovanovic said that Deryabin informed him about "Russia's decision in principle to recognize Slovenia and Croatia in the near future, and to accept the new realities." Deryabin, according to Jovanovic, said that "this decision does not influence Russia's standpoint concerning the continuity and international status of Yugoslavia as an entity."

The special envoy of the Russian Foreign Ministry, Jovanovic added, pointed out that "the decision to recognize Slovenia and Croatia will require a certain procedure." Summing up his talks with Deryabin, Jovanovic said, however, that this "does not also mean the establishment of diplomatic relations."

In a statement to TANJUG, Yuriy Deryabin confirmed that "at the moment" the reference "is only to the recognition" of Slovenia and Croatia. Speaking of the Russian intention to recognize Slovenia and Croatia, Deryabin said that "we in Russia believe it to be right and proper—and this is President Yeltsin's initiative—that the special envoy should go first to Belgrade, to discuss the issues relative to the impending step." After that "the same question will be discussed in Ljubljana and Zagreb", he added.

Deryabin also laid special emphasis on "Russia's interest in the development of traditional friendship with Serbia," and on its interest in the development of "political, economic, and industrial cooperation." He pointed to "the importance of the traditional links which have always existed between Russia and Serbia." Yuriy Deryabin plans to leave tomorrow for the capitals of Slovenia and Croatia. During his stay in Yugoslavia, Deryabin will also meet with the Montenegrin deputy foreign minister.

Gennadiy Shikin, Russian ambassador in Belgrade, was present during Deryabin's meeting with Jovanovic today.

Vance Plan Puts Krajina Under UN Protection

LD0402162992 Belgrade TANJUG in English 1509 GMT 4 Feb 92

[Text] Belgrade Feb 4 (TANJUG)—Defence Minister of the Yugoslav Republic of Serbia Marko Negovanovic said that the plan of Cyrus Vance, a special envoy of U.N. Secretary-General Butrus Butrus Ghali, for settling the Yugoslav crisis "puts the Republic of Serb Krajina (RSK) under U.N. protection."

"The decision on bringing over the 'Blue Helmets' ratifies the position of the RSK," General Negovanovic said in an interview which is carried in the latest issue of the Belgrade weekly EPO A, noting that "the very act of engaging the U.N. peacekeeping force does not prejudice a future political solution."

The RSK was proclaimed by Serbs in the territory of the Yugoslav secessionist Republic of Croatia where they are the majority population and have decided in favour of staying in Yugoslavia, opposing the decision of the Croatian authorities to secede from Yugoslavia.

General Negovanovic explained that the engagement of U.N. peacekeeping forces should ensure keeping the present status of the RSK where the Serbian people "established its organs" and "has its police, authorities and judiciary."

Recalling that the protection of "this status and this situation in the RSK is now being maintained by keeping a front towards Croatia," General Negovanovic underscored that the engagement of U.N. peacekeeping forces is within the option "for ensuring peace and a peaceful solution of the Yugoslav crisis through political negotiations." "The war units on the front are composed of 80 percent of people who live in the territory of the RSK," General Negovanovic said underscoring that "in view of this fact, there is no question of withdrawing people from this area." The territorial defence is not being disbanded, General Negovanvoic explained, but it is being demoblized and put under the control of local police, which is basically the Krajina police and U.N. peacekeeping forces.

"The withdrawal of the Yugoslav People's Army (JNA)," General Negovanovic warned, "will not happen before the U.N. peacekeeping force is completely introduced in these parts." The Yugoslav State Presidency session, which did not only include members of the Presidency but other officials too, on Sunday achieved full [word indistinct] of all its participants on the acceptance of Cyrus Vance's plan on a U.N. peacekeeping operation in Yugoslavia. Only RSK President Milan Babic was against this, despite the fact that RSK parliament President Mile Paspalj gave full consent to the concept of the U.N. peace operations.

Vojvodina Continues Hunt for 'Saboteurs'

LD0402195292 Belgrade TANJUG in English 1748 GMT 4 Feb 92

[Text] Novi Sad, Feb 4 (TANJUG)—Jovan Radic, premier of Vojvodina, an autonomous province which is a part of the Yugoslav republic of Serbia, assessed today that the security situation in the multi-national province is still satisfactory, "although there are attempts of even physically incorporating fascism and Ustashism in Vojvodina."

At a joint session of representatives of municipal and provincial trade union councils, Radic said that Vojvodina most directly felt all the hardships of the war chaos and the Yugoslav crisis. Hundreds of thousands of refugees from the war-torn region of the secessionist Yugoslav republic of Croatia poured into this province which borders with Croatia.

"These days we have witnessed attempts to focus, according to instructions from Zagreb, Vienna or Budapest, international public attention on this province for alleged disrespect of rights of minorities", underscored Radic. Hungarians who account for 350,000 of the province's two million population are the largest minority in Vojvodina.

The province does not deserve such accusations said Radic and added that "luckily members of the Hungarian minority and Croatian nationality are aware of where such propaganda leads and thus have full confidence in the legal organs of authority." The search for a group of Croatian terrorists thrown in three days ago in the region of Apatin, a city in Vojvodina near the Yugoslav-Hungarian border, was resumed in Vojvodina today, as reported.

TANJUG unoffically learned today that yet another member of the group was wounded and three captured. The mission of the group of 26 saboteurs was to destroy the bridge on the Danube near Batina which is the only link between the republics of Serbia and Croatia in north-western Vojvodina. The terrorists were discovered three days ago near Kolutska Suma which is inside the Sombor municipality. After being discovered, they tried to go into neighboring Hungary. One Serbian policeman was killed and two terrorists were wounded and captured during the fight.

No official information on the event is available as yet but TANJUG has learned that the Croatian terrorists, dressed in Yugoslav Army uniforms crossed the Danube using an amphibious vehicle, carrying with them a great quantity of weapons, ammunition and explosives for diversions and armed attacks.

Vuk Draskovic Trial Cancelled

LD0402144492 Belgrade TANJUG in English 1244 GMT 3 Feb 92

[Text] Belgrade, February 3 (TANJUG)—The trial of Serbian Renewal Movement leader Vuk Draskovic scheduled for February 20 has been cancelled because he is abroad, the Belgrade daily POLITIKA reports today.

Draskovic's lawyer Strahinja Kastratovic today told TANJUG that the court has not informed him that the trial has been postponed. The trial of the leader of Serbia's strongest opposition party is to be held at the First Municipal Court of Belgrade.

Draskovic is charged with "inciting others to resistance and disobedience to measures by state organs and to official persons in performing their duty" during demonstrations which were held by the opposition on March 9 last year. The opposition rally was held in Belgrade's central republic square, despite a ban by the Serbian Internal Affairs Ministry, and an estimated 100,000 people took part.

After the police intervened with tear-gas, the demonstrators clashed with the police, and a policeman and a student were killed in the ensuing riots. Six people were heavily injured and 23 received minor injuries, while material damages topped 15 million dinars (around 150,000 dollars under the present rate of exchange).

The Belgrade daily POLITIKA EKSPRES reported in mid-January that Draskovic "could be sentenced to as much as 15 years in prison if found guilty as charged." Draskovic recently visited the United States and held talks with high-ranking officials of the United States Administration and prominent political figures. He is currently visiting Canada.

Serbian Tax System Considered Unsatisfactory

92BA0414C Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 13 Jan 92 pp 15-16

[Article by S. Bogdanovic: "Dissatisfied Private Businessmen"—first paragraph is EKONOMSKA POLITIKA introduction]

[Text] The private sector of the economy is dissatisfied with the new tax system in Serbia. Without a strong association of their own, private businessmen will not be able to resist the state.

The General Association of Independent Businessmen and Their Cooperatives, with headquarters in Belgrade, held its regular annual press conference at the end of the year, at which talk centered on two problems of the private sector in Serbia: the new package of tax laws and the effort to set up a Chamber of Independent Businessmen in the republic, which has already run up against various obstacles.

The basic idea of the creators of Serbia's new tax system, in their own view, was to relieve the economy and ensure a more even distribution of the tax burden based on the economic strength of the taxpayer or, in the formulation that is being heard more frequently, to achieve lower tax rates but a larger number of taxpayers. The rationale by lawmakers to the effect that the new tax package means that the overall amount of taxes will not increase, but rather that they will simply be distributed more fairly, is scant consolation to private businessmen, who did not enjoy the good graces of the previous state organization either.

"The people proposing the package of laws emphasize that it was modeled on laws in highly developed countries, but it appears that this was done only to find a justification for those items that have no real basis under our circumstances," emphasized Uros Popovic, the president of the Association of Independent Businessmen of Belgrade, who stressed that "the rationale that the social and private sectors are equally burdened cannot be valid, because these two sectors have been in an unequal position, so that now, under the new system, there will not be anything to take away from a social sector that has been bled dry. Thus, the private sector remains."

In Popovic's opinion, the entire law is permeated by elements of progressive taxation, or more precisely, "a totally discouraging policy that cannot last for long." There are few people who will survive and continue operations even in 1992, Popovic believes, and this is why preparations are being made for strikes and protests in front of the Assembly.

Private entrepreneurs, like the majority of citizens, will have a hard time accepting the latest package of tax laws adopted by the republican Assembly, which is inclined to compare the new tax system with laws that are in force in those European countries that allegedly have a level of development similar to ours, meaning Spain, Portugal, and Greece. However, the tax system that Serbia is getting, which presupposes a stabile, more rich than poor society and a market economy, will be laid on a social foundation in which the standard of living is falling and more and more people are out of work or are barely making ends meet from momentary income.

Milutin Anicic, the vice chairman of the Party of Independent Businessmen [ZAPIS], said that 45 percent of the budget of Grocka opstina is provided by private businessmen while only 1 percent comes from social firms, and he illustrated the previous "state-stepmother" relationship through two examples, fearing even worse conditions for labor this year.

"Economic missions abroad and embassies have yet to meet with private businessmen even once, even though

we have asked them for help and, based on previous experience, we have determined that our goods can also do well in other countries. It has all been nothing but talk. The recent exhibit of Serbia's economic potential and visit to Israel took place once again without any offerings by the private sector. No one informed us or offered to let us participate. And this definitely would have interested 10 or so private businessmen. There are 40,000 private businessmen who cannot wander around the world offering their goods. The private sector of Serbia could employ five times the number of workers that it does, but we are simply deprived of them and our hands are tied through various measures," Anicic emphasized, adding that terrible injustices were perpetrated against the private sector in the not-too-distant past. "IMF funding to develop entrepreneurship went to the Smederevo Steelworks, the Medijapan Ploca factory, and to the enhancement of similar 'giants.' Today, they prohibit me from withdrawing more than 30,000 dinars from the bank, and I must distribute wages to the workers, while as a pensioner I have a right to gasoline for my car, with which I conduct company business!"

It is not difficult to see that the state and private businessmen have different ideas about the position of entrepreneurship. Because it is unable to collect revenues from the impoverished social economy, the state is reorienting itself towards a different system of taxation, which it believes offers more favorable and "more equal" conditions for the development of the private sector, while independent businessmen are afraid that they will disappear entirely.

Experience shows that without a strong association of their own, private businessmen will not find it easy to oppose the new tax system and the state that stands behind it. Because of this, they have decided to opt for the formation of their own ministry or chamber. The Federation of Associations of Independent Entrepreneurs of Serbia, the Union of Associations of Independent Entrepreneurs of Serbia, the Union of Associations of Independent Businessmen of Serbia and Vojvodina, and the General Association of Independent Businessmen of Belgrade are considering legal and practical options for forming this sort of body. They believe that professionals committed to this body would be an appropriate link between entrepreneurs and organs of power, which, they conclude, do not have enough respect for that stratum and harbor a discriminatory attitude towards it.

Upon revealing the idea by private businessmen to form their own chamber, Srecko Starcevic, the president of the Union of General Associations of Serbia, commented on various obstacles by noting the current attitude within society "where no one wants us because we are working competition to the nonworking class. Demands that our association acquire the status of an artificial person before the Chamber of Serbia have not met with understanding. There is a long struggle ahead of us," Starcevic concluded.

[Box, p 15]

Remarks by Braca Karic

The tax reform in Serbia includes good ideas and is well thought-out (contributions are eliminated, all natural persons are included as taxpayers, it includes a progressive structure in accordance with the economic strength of taxpayers, and it stimulates investment and a solution to housing problems), but its basic defect lies in the attempt to apply it at a bad time and under nonmarket conditions. In short, the new system is inapplicable. This could be called the abridged attitude of the company Braca Karic.

Dusko Micevic of Karic Bank calls the 15-percent tax on capital gains (interest and dividends from loans, savings, and securities) problematic; exempted from the tax are capital gains up to one percent of monthly wages and income from savings earmarked for the purchase of housing. According to Micevic, however, it is immoral to tax old foreign-exchange savings, which are under a moratorium. Moreover, this does not stimulate new savings, even if citizens decide to deposit their money in banks; by paying a tax here, they lose additional motivation to avoid similar tax rates in other countries. As far as dinar savings are concerned, it is illogical to tax earnings from these savings, since the interest rates are negative in real terms (below inflation); it would be logical to tax only the part of these earnings that rises above inflation (the difference between gross interest and inflation).

A second shortcoming of the new system is the fact that it does not take into account secrecy in savings deposits. This part of the tax system is based on the principle of reporting to the tax authorities, instead of the principle of a suspended tax, whereby the bank reports as payer on behalf of the saver. Without respect for the principle of secrecy in savings, the phenomenon of massive tax evasion is likely.

As far as taxing dividends from securities is concerned, it is a bad principle to levy a tax on the buyers and sellers of these instruments instead of on the brokers. Moreover, dividends should not be taxed for between three and five years. Finally, the lack of a mechanism for the regular and forcible collection of taxes is a major problem, especially in situations of tax evasion.

As far as the tax on profits is concerned, there are no special exemptions for small and mid-size companies. Thus far, the tax paid on profits has been 30 to 40 percent, and the proclaimed equality of ownership is in conflict with efforts to develop the private sector as a precondition for new investment and joint ventures. According to Slavica Sretenovic of the Braca Karic Institute, it would be better to create a situation, (in part) through the tax system, where there is a large number of small and mid-size companies, because it is better to have 100,000 companies paying $100 in taxes than to have 10,000 companies paying $10,000 in taxes. The tax system should be set up like in free-trade countries such

as Liechtenstein, Hong Kong, Andorra, or Cyprus. Only that sort of tax system can serve to get us out of the recession and strengthen mid-size and small companies.

—by "V.Gr."

Slovenia

Chemical Agents Found in Former Army Warehouse

AU0402135992 Ljubljana DNEVNIK in Slovene 1 Feb 92 p 24

[Unattributed report: "Dangerous Heritage"]

[Text] Kidricevo, 1 February—A military secret of the Yugoslav Army is slowly being revealed: The Army stored chemical agents [bojni strupi] in Slovenia as well!

The rumors about these agents were confirmed in Ptuj commune—substantial amounts of the chemical agents were actually stored in the local warehouses of the former Yugoslav Army. For the time being we have only learned that these agents are safely stored and, therefore, do not pose a threat to the environment. Once their composition is known, the experts will decide how to remove this dangerous heritage of the Yugoslav strategists.

Shortage of Electricity in Slovenia Reported

92P20126A Ljubljana DELO in Slovene 24 Jan 92 p 3

[Unattributed article: "Alarming Shortage of Electricity"]

[Text] Ljubljana, 23 Jan—Elektro Slovenija has announced that under the January electrical energy plan the Slovene electrical power system is to be supplied daily with approximately 2 million kilowatt-hours from the power plants in Bosnia-Hercegovina, and the Kidricevo TGA [bauxite and aluminum plant] with approximately one million kilowatt-hours daily from Serbia. At present there are no deliveries from outside of Slovenia, and there won't be any for some time. Consumption increased recently by 1.2 million kilowatt-hours daily; at the same time the production in the hydroelectric plants decreased by approximately 800,000 kilowatt-hours. All power plants have reached their production limit, and they have no reserves. For these reasons it has not been possible to supply the amount requested by the Ruse nitrogen plant and the ironworks in the last few days. The method of application of restrictions was agreed to with the responsible authorities of the Slovene government. Elektro Slovenija announced that larger deliveries are occasionally feasible at night or over the weekend if the production of thermal power plants is not restricted for environmental reasons or reduced due to maintenance.

Commentary on Obligations in Joining GATT

92BA0433F Ljubljana DELO in Slovene 22 Jan 92 p 3

[Article by Ilja Popit: "A Slovene Hermes Soon"—first paragraph is DELO introduction]

[Text] The insurance company should be able to issue export guarantees as early as May; protection against imports could hurt us in joining GATT.

Ljubljana, 21 Jan—"We not only support the proposal for issuing a law on a Slovene company for insurance and monetary support for exports, but we also recommend that this institution begin to operate and accelerate exports as soon as possible." This was the view at today's meeting of the Committee on Foreign Economic Relations of the GZS [Slovene Economic Chamber].

The drafters of the law told them that such a regulation could not simply be copied, for instance, from the rules under which the German Hermes or the Italian Sace operate, because every state entrusts to such an institution only those activities which have consequently not been regulated elsewhere. One can copy individual parts of such regulations, and thus the draft law was prepared after a review of the regulation of this issue in 30 countries. It also takes into account several comments by our exporters. The insurance company will be able to issue its first export guarantees this May. It is expected that $30 million should be collected for this purpose. It is precisely the amount of capital that will most determine the extent to which this institution, which will handle something intermediate between insurance and financing, will be able to work. It is an illusion to expect that it will be able to finance an unlimited volume of exports, and therefore for a long time to come there will not be money to carry out major investments abroad, etc. The weak side of the regulation is its 5th and 6th articles, which allow this insurance agency to be able to do anything, so to speak, and it may thus become a list of unrealistic desires. Of course, practical experience will teach us continuously, and no one is imagining that this is a law that will last for 20 years.

For those who expected free imports, a look at the draft rules on the distribution of Slovene import and export quotas and the protectionist policy will be a cold shower. It was thus noted, and at the same time admitted, that we cannot do without any such restrictions, and that the main import "quota" is thus the shortage of money for imports. To be sure, some people recommended such protection against imports. Dr. Tone Hrastelj even noted that this is an international reality. In spite of big words about free international trade, that trade does not exist to an exaggerated degree. We should therefore not be so afraid of GATT's regulations, because it is a very pragmatic organization. Our foreign partners can even afford much larger restrictions than we can. In textiles, in many places even more severe measures have been devised than are carried out within the framework of antidumping measures, namely the measures denoted as "wrapping up the market."

Moreover, if some state rejects all of their excuses, the Americans, for example, send a delegation there with blacks and union members, who say that all classes in America are suffering because of the competition and that because of the danger to their employment, they cannot allow imports, in spite of all the principles that America otherwise advocates. If others restrict our imports, we can also restrict theirs, Hrastelj thinks. Courage and skill are necessary in concluding any contract. To be sure, GATT boasts a great deal about how it has achieved a reduction in customs duties from 40 to 5 percent, but it neglects to point out that tariff restrictions have therefore increased by 58 percent. If we want to remain in international trade, we must not remain naive, Hrastelj thinks.

On the other hand, Mitja Mocivnik, from the Ljubljana Bank, thinks that in our efforts to improve protection, which can certainly be understood, we are doing some things that are not professionally appropriate and are not in accordance with the orientations of foreign policy and the orientations of financial negotiations. We cannot rectify the negotiating position by ourselves unilaterally, except in textiles. If we want to be treated as successors to Yugoslavia, as we are advocating in politics, we will have to start, in the negotiations, from the foreign trade protection that Yugoslavia had. It is consequently feared that these changes in protection will be short-lived. If we undertake to halt imports of Japanese and Korean cars, we can expect both the Japanese and the Koreans to demand a return to Yugoslav protection wherever necessary. They will certainly not consent to multilateral agreements, because Slovenia is violating them and unilaterally revising them at the very start.

Others have known of similar consequences elsewhere as well, even during their very admission to GATT. Admission to it within the framework of succession is quick and simple; it is only necessary to accept prior obligations. An opposite example is the admission of Colombia under Article 33, when the negotiations on admission lasted for two years.

Regulations on so-called detachments in West Germany were also adopted. This has to do with the employment of a specified number of workers in those Slovene enterprises which then work in Germany. Of this number, work has already been agreed upon with 2,000 workers, and if another thousand contracts were concluded, the Germans would let us employ even more. We should take care that now, when the Slovene government has become involved in this work, we do not start concluding contracts all over again, since that way we would lose 15 million marks in three months. That damage has to be prevented, they warned.